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Sinatra, the Century's Great Voice

America's Blue-Eyed Crooner and Actor Is Dead at 82

By Stephen Holden
New York Times Service

NEW YORK — Frank Sinatra, the self-described saloon singer and actor who became one of the most popular American entertainers of the 20th century, died Thursday night in Los Angeles. He was 82 years old.

The cause was a heart attack, said his publicist, Susan Reynolds. Widely held to be the greatest singer in American pop history, Mr. Sinatra was also the first modern pop superstar. He defined that role in the early 1940s when his first solo appearances provoked the kind of mass pandemonium that later greeted Elvis Presley and the Beatles.

During a show business career that spanned more than 50 years and comprised recordings, film and television as well as countless performances in nightclubs, concert halls and sports arenas, Mr. Sinatra stood as a singular mirror of the American psyche.

His evolution from the idealistic crooner of the early 1940s to the sophisticated swinger of the '50s and '60s seemed to personify the country's loss of innocence. In a series of brilliant conceptual albums, he codified a musical vocabulary of adult relationships



Mr. Sinatra singing at Radio City Music Hall in New York in 1992.

with which millions identified. The haunted voice heard on a jukebox in the wee small hours of the morning lamenting the end of a love affair was the same voice that jubilantly invited the world to "come fly with me" to exotic realms in a never-ending party.

Mr. Sinatra appeared in more than 50 films, and won an Academy Award as best supporting actor for his portrayal of the feisty misfit soldier Maggio in "From Here to Eternity" (1953).

It was as a singer that he exerted the strongest cultural influence. The skinny blue-eyed crooner, quickly nicknamed the Voice, made hordes of bobby-soxers swoon in the 1940s with an extraordinarily smooth and flexible baritone that he wielded with matchless skill.

After the voice lost its velvety youthfulness, Mr. Sinatra's interpretations grew more personal and idiosyncratic. The changes in his vocal timbre coincided with a precipitous career descent in the late 1940s and early '50s. But in 1953, Mr. Sinatra made one of the most spectacular career comebacks in show business history, re-emerging as a coarser-voiced, jazzier interpreter of popular standards who put a more aggressive personal stamp on his songs.

On a deeper level, Mr. Sinatra's career and public image touched many aspects of American cultural life. For millions, his ascent from humble Italian-American roots in Hoboken, New

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Jakarta Counts Its Dead As Troops Patrol Streets

Rioting Is Scattered; Suharto Remains Silent

By Keith B. Richburg
Washington Post Service

JAKARTA — Heavily armed troops, with tanks backing them up, patrolled the debris-strewn streets of this capital on Friday. And as Indonesians counted the scores of victims killed in Thursday's violent outburst rioting, they awaited the next act in their national drama now being played out in the presidential residence.

With the death toll from Thursday's riots at more than 200 and rising — and

Panicked foreigners continue rush to get out of Indonesia. Page 4.

with foreign embassies, including that of the United States, arranging charter flights to evacuate nationals from this shocked and devastated city — President Suharto remained closeted with his advisers, issuing no statements, making no public appearances and giving no hint as to how he intended to respond to calls for his resignation now coming even from within his ruling party.

While many observing this cryptic shadow play remained convinced that Mr. Suharto's 32-year rule is nearing its end, few here offered specific scenarios for how the finale might come about.

"You still don't know what he's thinking, because he hasn't said anything," a Western diplomat said. "The people who are going to decide aren't talking about what they're going to do. It's going to remain a closed book for a while."

There was more rioting Friday, but it was more scattered and on a smaller scale than on Thursday.

In a move intended to mollify a public angry and frustrated over the deteriorating economic situation, the government announced that it was revoking the hefty price increases on fuel and electricity it imposed 10 days ago.

The price hikes prompted rioting and increased the demands of university students who have been holding protests almost every day to call for Mr. Suharto's resignation and major political reforms.

The price increases were one of the conditions demanded by the International Monetary Fund for a \$43 billion bailout of the economy. Friday's reversal put Indonesia on a new collision course with its international financial backers, imperiling the rescue package and raising questions about whether this government has the commitment and the public support necessary to carry out economic reforms. In the face of the unrest, the entire IMF team in Jakarta fled the country.

The move to rescind the price increases appeared to be a belated effort to contain the rage that exploded on the

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Rioters in Jakarta attacking a portrait of Liem Sioe Liong, Indonesia's richest man, after they looted and burned his home. Many wealthy ethnic Chinese had sent their money abroad long before the violence. Page 11.

Ethnic Chinese Once Again on the Run

By Mark Landler
New York Times Service

JAKARTA — They huddled in hotel lobbies, trying to book plane reservations. They stood on street corners, pleading with taxi drivers to take them to the airport. Those who could not flee covered in their shops, peering out of corrugated metal barriers at a city that had turned suddenly against them.

For the ethnic Chinese, Jakarta has become deadly ground.

"I'm getting out of here tonight," said Joseph Chun, a Hong Kong businessman who has lived in Jakarta for two years. "This place is out of control."

They Try to Flee City After Riots and Arson

Violence against the ethnic Chinese has been an ugly sideshow in every Indonesian political upheaval since Dutch colonial days. But on Thursday it took center stage, as angry mobs looted and burned hundreds of Chinese-owned shops, banks, restaurants, homes and cars in the capital. More than a dozen ethnic Chinese were killed after being trapped in burning buildings.

Chinese people who tried to flee the city Wednesday night faced another ter-

rifying ordeal as mobs stopped cars on the airport highway, searching for Chinese passengers. There were no reports of people killed or injured.

On Friday, the Chinese debated when it was safe to go to the airport. But even those who made it there found that flights to Hong Kong and Singapore were fully booked.

While the rioters are calling for the downfall of President Suharto, he is a remote figure who rarely mingles with the public. Since his return to Jakarta from Egypt on Friday, he has been sequestered behind the gates of the Pres-

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A Summit Bid to Head Off Nuclear Race

Clinton Seeks Condemnation of India and a Plea for Pakistani Restraint

By Alan Friedman
International Herald Tribune

BIRMINGHAM, England — President Bill Clinton called for the summit meeting of leading industrialized nations that began here Friday to issue a "strong and unambiguous" condemnation of India's explosion of five nuclear devices and to find a way to persuade Pakistan not to join the nuclear arms race by initiating its own tests.

But Britain, which is presiding over the annual economic summit talks of what has become the Group of Eight, ruled out the idea of any coordinated economic sanctions against India, reflecting the reluctance of Prime Minister Tony Blair and his counterparts from France and Russia to join in such an action.

"I don't envisage any G-8 economic sanctions as the Americans have done," a spokesman for Mr. Blair said. "If you're looking for a kind of package put together by the U.S., then the answer is no."

India's nuclear tests, together with

the mounting violence and political crisis in Indonesia, overshadowed the start of the ostensibly economic meetings here, with government chiefs devoting much of their working dinner Friday night to the twin political troubles in Asia.

Mr. Clinton also made a point Friday of calling for political reform in Indonesia, although he stopped short of commenting on whether President Suharto should step down.

Prime Minister Ryutaro Hashimoto of Japan emerged Friday as Mr. Clinton's most outspoken ally on the issue of

India Can Produce A 'Big Bomb Now'

The Indian prime minister says India has the capability of making a "big bomb now," but that it will only use nuclear weapons for defense. • U.S. sanctions on India may be blunted by the lack of enthusiasm in Europe for this form of punishment. Page 5.

nuclear proliferation on the Asian Subcontinent. The United States and Japan have already imposed economic sanctions on New Delhi. "We have to stop the contagious effect of this experiment," Mr. Hashimoto said after meeting with Mr. Clinton ahead of the official start of the summit talks.

Aides to Mr. Hashimoto also said Friday that Tokyo would impose sanctions on Pakistan if it went ahead with nuclear tests. And before the start of the summit meeting, the United States and Japan announced agreement on a package of measures to deregulate several important sectors of the Japanese economy and provide greater openings to foreign companies. Page 11.

President Boris Yeltsin of Russia said upon his arrival in Birmingham that he was sure the leaders would debate how to halt the spread of nuclear weapons following the Indian tests.

"Yes of course, we cannot avoid this question," he said. Although Canada is among the G-8 countries that are op-

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China Military Tied to Democrats' Funds

New York Times Service

The following article was written by Jeff Gerth, with additional reporting by David Johnston and Don Van Natta.

WASHINGTON — A Democratic fund-raiser has told federal investigators he funneled tens of thousands of dollars from a Chinese military officer to the Democrats during President Bill Clinton's 1996 re-election campaign, according to lawyers and officials with knowledge of the Justice Department's campaign finance inquiry.

The fund-raiser, Johnny Chung, told investigators that a large part of the nearly \$100,000 he gave to Democratic causes in the summer of 1996 — including \$80,000 to the Democratic National Committee — came from China's People's Liberation Army, through a Chinese lieutenant colonel and aerospace executive whose father was General Liu Huaqing, the officials and lawyers said.

General Liu was then not only China's top military commander but also a member of the top leadership of the Communist Party.

Mr. Chung said the aerospace executive, Liu Chao-ying, told him the source of the money. At one fund-raiser to which Mr. Chung gained her admission, she was photographed with Mr. Clinton.

A special adviser to the White House counsel, Jim Kennedy, said, "We had

no knowledge about the source of Mr. Chung's money or the background of his guest. In hindsight it was clearly not appropriate for Chung to bring her to see the president."

Mr. Chung's account, coupled with supporting documents such as bank records, is the first direct evidence obtained by the Justice Department that elements of the Chinese government made illegal contributions to the Democratic Party. Under American law, foreign governments are prohibited from contributing to political campaigns.

While the amount described is a tiny part of the \$194 million that Democrats raised in 1996, investigators regard the identification of Miss Liu as a breakthrough in their search for confirmation

of a "China Plan." The hunt was prompted after U.S. intelligence intercepted telephone conversations suggesting that Beijing considered covertly influencing the American elections.

Mr. Chung, a Southern California businessman, began cooperating with investigators after he pleaded guilty in March to campaign-related bank and tax fraud. He is the first defendant in the Justice Department inquiry to agree to cooperate.

It is not clear whether other Chinese officials or executives were involved in the purported payments by Miss Liu, or what her motivation or the Chinese military's was. At the time, Mr. Clinton was

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AGENDA

Pilot Sentenced in Airline Bomb Plot

The Dollar			
New York	Friday @ 4 P.M.	previous close	
DM	1.785	1.7789	
Pound	1.6282	1.631	
Yen	134.53	133.895	
FF	5.9845	5.965	

The Dow			
Friday close	previous close		
-75.23	9096.00	9172.23	
S&P 500			
Friday @ 4 P.M.	previous close		
-8.53	1108.74	1117.37	

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Newstand Prices			
Andorra	10.00 FF	Lebanon	11.3,000
Antilles	12.50 FF	Morocco	16 Dh
Caribbean	1.600 CFA	Qatar	12.50 QR
Egypt	5.50	Réunion	12.50 FF
France	10.00 FF	Saudi Arabia	10 SR
Gabon	1.100 CFA	Senegal	1.100 CFA
Italy	2.800 Lire	Spain	225 Ptas
Ivory Coast	1.250 CFA	Tunisia	1.250 Din
Jordan	1.250 JD	U.A.E.	10.00 Dh
Kuwait	700 Fils	U.S. Ml. (Eur.)	\$1.20

Palestinians Hurl Rocks At Jewish Worshipers

Dozens Are Evacuated From Western Wall

JERUSALEM — Palestinians threw rocks at Jewish worshipers at the Western Wall in Jerusalem on Friday, a day after Israeli troops shot and killed nine Arabs in the West Bank and Gaza Strip.

Israeli policemen moved in quickly to evacuate dozens of Jews from Judaism's holiest site at the foot of the Temple Mount, where thousands of Muslims had held Friday prayers in Al Aqsa mosque.

Shmuel Ben-Ruby, a police spokesman, said that no one was injured when rocks rained down from the Temple Mount, and that the violence subsided within minutes.

The police had rushed reinforcements to the walled Old City in preparation for more unrest after the most violent day in the West Bank and Gaza in almost two years.

Hundreds of thousands of Palestinian protesters took to the streets on Thursday to mark "al nakba," or "the catastrophe," resulting from Israel's creation in 1948.

"What happened yesterday was a process of sniping at our wounded and our martyrs," Yasser Arafat, the Palestinian leader, said in Gaza on Friday. "It was a barbaric operation."

In Hebron, rock-throwing Palestinians clashed with Israeli soldiers along the tense line dividing the Israeli- and Palestinian-controlled sectors of the West Bank town.

Witnesses said an Israeli newspaper photographer was hit in the stomach by rubber-coated metal bullets fired by Israeli soldiers. He was taken to a hospital for treatment. Army radio said his injuries were not life-threatening.

In Gaza City, hundreds of people chanting, "Netanyahu, our people will never kneel," took part Friday in the funeral of one of the casualties, Jamal Wahidi, 55, a nurse and father of 14.

"Jamal was killed while trying to assist one of the wounded," said his cousin, Jamal Wahidi. "He was hit by four bullets, two in the chest, one in the heart and one on his finger."

Israeli Army officers said Thursday that troops had opened fire only when they believed their lives were in danger. Outside the West Bank town of Nablus on Friday, about 200 Palestinians threw stones at Israeli soldiers, who took shelter behind military checkpoints, witnesses said.

The soldiers responded with rubber bullets and tear gas, but no one was wounded.

Israelis Answer Torture Charge

Denying allegations of torture, Israeli officials on Friday defended the use of "moderate physical pressure" on suspects in exceptional circumstances to prevent terrorist attacks.

Defending Israel's interrogation policy before the United Nations Committee Against Torture, the Israeli team denied that their methods contravened international conventions.

The team said that sleep deprivation, deafening music, violent shaking, threats and putting hoods on prisoners' heads did not constitute torture or inhuman or degrading treatment in contravention of the 1987 UN international convention against the use of torture.



Women running for cover Friday at the Western Wall in Jerusalem's Old City after Muslims started throwing stones from Al Aqsa mosque.

The Israelis, headed by Alan Baker, a Foreign Ministry legal counselor, and Deputy Justice Minister Yehuda Shafir, confirmed that "moderate physical pressure" on detainees had been authorized by the Israeli Supreme Court and was used only in exceptional circumstances to obtain vital information to thwart terrorist attacks.

Last May, the UN anti-torture committee of 10 independent experts condemned the behavior of the Israeli security services as acts amounting to torture.

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"He's sensed a boiling environment, and a lot of people wouldn't mind if he didn't have a more challenging relationship with Washington, but he's decided not to do that," one official said.

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"The only peace that can endure is a peace that can be defended," he said.

The normalization that peace brings may be reversed by any change of government or by the whim of undemocratic Arab leaders, he said, arguing that Israel's only security came from its military strength. He said that Egypt and Jordan made peace with Israel only when they realized they could not defeat it.

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Milosevic Upbeat at End Of First Talks on Kosovo

The Associated Press

BELGRADE, Yugoslavia — Calling it an initial step toward peace, President Slobodan Milosevic met for the first time on Friday with the independence-seeking leader of Kosovo's ethnic Albanians.

The fact that Mr. Milosevic had agreed to talk with the ethnic Albanian leader, Ibrahim Rugova, was by itself considered a breakthrough.

But with the majority Albanians in Kosovo Province continuing to press for independence — something Mr. Milosevic has ruled out — little was expected from the talks immediately.

It appeared that the meeting had ended with no concrete result. Mr. Milosevic said in a statement issued after the 90-minute session that "this meeting could be considered as the start toward a peaceful solution of the Kosovo crisis."

Mr. Rugova said later that they had tackled and discussed many different issues. "It seems there is readiness to move ahead toward a peaceful political solution to the Kosovo issue," he said.

Pressure by Richard Holbrooke, the U.S. envoy who brokered the 1995 Dayton accords that ended the war in Bosnia-Herzegovina, helped to bring about the meeting at the presidential palace in Belgrade.

The statement issued by Mr. Milosevic said that he had agreed with Mr. Rugova that there would be weekly meetings between the two delegations, and that the next meeting would be held by the end of next week.

Mr. Milosevic said the solution for Kosovo should be based on "equality of all citizens" of the province, where ethnic Albanians outnumber Serbs by 9 to 1.

Mr. Holbrooke had stressed there was no hint of a pending compromise to end the violence in Kosovo, but he called the meeting an important "procedural breakthrough."

Violence in Kosovo has threatened to turn into full-scale war since Serbian police forces and the Serb-dominated Yugoslav Army began a crackdown on ethnic Albanian militants in February. More than 150 people have been killed.

Before the talks between the two sides Friday at the White Palace, Mr. Rugova met with the U.S. chargé d'affaires in the Yugoslav capital, Richard Miles.

On the eve of the talks, heavy fighting was reported southwest of Pristina in Kosovo. The Serbian police said that ethnic Albanian forces had attacked a police station, wounding three police officers.

Mr. Rugova's information center said that heavy fighting and explosions had been reported in the area Friday. There were no immediate reports on casualties.

Militants in the ethnic Albanian Kosovo Liberation Army appear to be gaining ground in the rugged countryside, controlling as much as 40 percent of the province.

Kosovo Albanians had refused to meet with Mr. Milosevic unless a foreign mediator was present. But under pressure from Mr. Holbrooke, Mr. Rugova and his negotiating team agreed to meet on their own with the Yugoslav president.

Some ethnic Albanians protested the talks. A rival of Mr. Rugova's, Adem Demaci, issued a fiercely critical statement, and two of the 15-member negotiating team resigned Thursday, as-

serting that Mr. Rugova had made concessions.

Senior ethnic Albanian politicians said that their presence was only a "sign of goodwill" and a first step toward negotiations with foreign mediation.

Serbs, who consider Kosovo the cradle of their Orthodox Church and culture, have ruled out independence for the province.

Foreign powers are also opposed, because border changes traditionally have sparked wider wars in the Balkans.

BRIEFLY

Lebed Vows to Focus On Siberia for Now

KRASNOYARSK, Russia — Alexander Lebed, who running for governor of Krasnoyarsk, said Friday that he would not consider seeking the Russian presidency until he had ensured the vast Siberian region's prosperity.

Asked about his presidential plans ahead of Sunday's regional vote, he replied: "I will work on the region just as long as it takes for it to be prosperous. I will get into the presidential election only when I am sure I will come first."

Mr. Lebed won the first round of the election in Krasnoyarsk on April 26. He is the favorite to win the runoff Sunday against the incumbent governor.

Leaders Denounce Synagogue Bomb

MOSCOW — The leaders of Russia's two biggest religions — Orthodox Christianity and Islam — on Friday denounced the bombing of a Moscow synagogue, saying nothing could justify attacks on places of worship.

"People who commit such acts should know that they are involved in a sinful and criminal affair," the Russian Orthodox patriarch, Alexei II, said. "They may claim any kind of excuse, but there is none."

The leader of the Muslim community in Russia, Sheikh ul Islam Taghat Tadzhdin, called the bombing of the synagogue a "terrorist act."

The Lubavitch Marina Roschka synagogue was damaged by a bomb on Wednesday.

For the Record

Prime Minister Tony Blair is planning another trip to Northern Ireland this coming week amid signs that support for the peace deal he negotiated is waning ahead of a May 22 referendum.

The far-right German People's Union said Friday that it would put up candidates in legislative elections in September, when it expects to get 9 percent of the vote and win seats in Parliament. It scored 12.9 percent in regional elections last month in Saxony-Anhalt.

Conservatives In France Hail New Alliance

Reuters

PARIS — France's conservatives hailed the birth of their planned multiparty alliance umbrella group on Friday as their last chance to avert terminal splits and the first step on the long road back to power.

President Jacques Chirac's supporters were pleased and hoped it would lead to an effective opposition against the "plural left" coalition of the Socialist prime minister, Lionel Jospin.

Skeptics said the alliance announced Thursday between Mr. Chirac's Rally for the Republic, or RPR, and the center-right Union for French Democracy, or UDF, did little more than paper over the cracks between the two main opposition groups.

But commentators agreed that the mainstream right had no other alternative to end a crisis that has worsened since it lost a parliamentary election to the left a year ago.

"This is the right's first good idea" since Mr. Chirac dissolved the National Assembly a year ago, said the left-wing daily Liberation, recalling the major blunder that forced Mr. Chirac to share power with Mr. Jospin. "The alliance itself doesn't solve anything, but it is an important signal."

A Chirac aide said: "This is very positive for the president. It gives the right a new framework and allows him more contact with the opposition. The challenge now will be to fill out this new framework with effective policies."

Philippe Seguin, RPR leader, and Francois Leotard, UDF chief, said the alliance, starting in September, left out dissidents who defied party bans on allying with the far-right National Front after an election setback in regional elections in March.

The surprise announcement came after weeks of bickering among conservatives on whether to unite, merge or go their own way.

But the goals and the future of the alliance remained unclear as the National Front mocked it as "patching up a ruined house."

Netanyahu Holds More Talks in U.S.

By Steven Erlanger
New York Times Service

WASHINGTON — In a deliberate effort by both the Israeli and American governments to tone down the rhetoric and pursue a solution to their current impasse over a West Bank withdrawal, Prime Minister Benjamin Netanyahu met a senior American official for more discussions Friday before flying to New York for the weekend.

Mr. Netanyahu's meeting with the U.S. Middle East negotiator, Dennis Ross, attempted to build on incremental progress made in two days of talks, Wednesday and Thursday, with Secretary of State Madeleine Albright.

But there was no indication of a breakthrough. David Bar-Ilan, the Israeli spokesman, said: "It's all open. We're trying to find the kind of solution that is suitable for everyone."

While "we do have sufficient reason to continue serious work," the State Department spokesman, James Rubin, said Thursday night, "it's hard to be optimistic, given the history of this process and our concern over growing violence among the Palestinians."

A senior U.S. official said Mrs. Albright was not yet ready to report to President Bill Clinton on whether the Israelis could soon agree to a deal that would allow them to start final peace talks with the Palestinians in a Washington ceremony.

After Thursday's meeting, senior Israeli officials said that progress was being made, "but this is a slow-motion thing, slow but steady."

Mrs. Albright will travel to London on Saturday to join Mr. Clinton for meetings with European leaders that start on Monday. Mr. Ross is expected to meet again with Israeli officials here on Sunday, and with Mr. Netanyahu when he returns to Washington that day.

The United States has been pressing Mr. Netanyahu to accept an American proposal that would require a withdrawal from 13 percent of the West Bank. The withdrawal has to be phased in over 12 weeks in parallel with specific Palestinian steps to fulfill their obligations to fight terrorism.

Officials said the main problems remained the size of the withdrawal, with Mr. Netanyahu still resisting different formulas to get to 13 percent, and how to agree on the size and manner of a last interim withdrawal, due by Sept. 1 under the Oslo accords.

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"The only peace that can endure is a peace that can be defended," he said.

Women running for cover Friday at the Western Wall in Jerusalem's Old City after Muslims started throwing stones from Al Aqsa mosque.

The Israelis, headed by Alan Baker, a Foreign Ministry legal counselor, and Deputy Justice Minister Yehuda Shafir, confirmed that "moderate physical pressure" on detainees had been authorized by the Israeli Supreme Court and was used only in exceptional circumstances to obtain vital information to thwart terrorist attacks.

Last May, the UN anti-torture committee of 10 independent experts condemned the behavior of the Israeli security services as acts amounting to torture.

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WEATHER

Forecast for Saturday through Monday, as provided by AccuWeather.



Legend: S=sunny, P=partly cloudy, C=cloudy, SH=snow, H=heavy rain, W=wind, M=moderate, V=very, L=light, H=heavy, W=wind, M=moderate, V=very, L=light.

Maps, forecasts and data provided by AccuWeather, Inc. ©1998 - http://www.accuweather.com

North America

Warm in the Northeast Saturday to Monday with some sunshine, but a day through Monday, but from Taiwan to southwest there may also be a thunderstorm or two. Mostly sunny and very warm from Tokyo and the tip of South Korea, but Seoul and the Netherlands. Saturday to Monday, Pleasant in Berlin and Clouds and perhaps a shower in Beijing Saturday, then sunny and warm. Hot and dry in northern India.

Europe

A series of weak storms will cause soaking rain in London and Paris Saturday through Monday, but from Taiwan to southwest there may also be a thunderstorm or two. Mostly sunny and very warm from Tokyo and the tip of South Korea, but Seoul and the Netherlands. Saturday to Monday, Pleasant in Berlin and Clouds and perhaps a shower in Beijing Saturday, then sunny and warm. Hot and dry in northern India.

Foreigners Rushing to Get Away

Evacuation Plans Are Made by Japan, Malaysia and U.S.

Compiled by Our Staff From Dispatches

JAKARTA — Panicked Americans and other foreigners flocked to airports Thursday, and the U.S. Embassy said it would charter planes to take U.S. citizens and their families out of Jakarta.

Although no foreigners have been reported hurt in the violence, the State Department advised American citizens to leave Jakarta and Indonesia's second-largest city, Surabaya.

Other countries were also urging their nationals to leave. Japan said it was drawing up contingency plans to send military aircraft to Jakarta to evacuate its citizens. Malaysia said two of its air force transport planes would fly into the city on Saturday to pick up stranded nationals.

The Australian, Canadian, German and French embassies urged their citizens to defer nonessential travel to Indonesia.

The warnings sent waves of people to airports with hastily packed suitcases hoping for any flight they could get.

Some 15,000 U.S. citizens live in Indonesia, mostly in Jakarta.

"We're just looking to get to a safer spot," said Nancy Carmack, of Grand Junction, Colorado, whose husband works for an oil tools company. She gave her age as "42, but 82 today."

Many evacuees left from Halim airport, the city's secondary airport, used mainly by the military. Jakarta's International Airport has been overrun since Thursday by throngs of ethnic Chinese, frequently the targets of rioters who have burned and looted homes and businesses around the city.

In Washington, an official said the evacuation would get under way in the early hours Saturday and was expected to be one of the largest ever carried out by the U.S. government in a foreign country.

Two charter planes carrying a total of 800 passengers were to begin flights to Bangkok and Singapore, although U.S. citizens were also urged to use commercial flights to leave the country.

A U.S. official, who asked not to be named, said the airlift, that would take Canadians, was to be carried out at night as the rioting dies off then.

The evacuees were instructed to bring only one bag for each passenger and to leave their pets behind.

In Bonn, the German Foreign Ministry advised German nationals to leave the country.

Around 3,500 Germans live in Indonesia, with 2,200 of them in Jakarta.

The Russian Foreign Ministry said it had no plans to evacuate its embassy staff, but advised Russians against visiting the country. (AP, Reuters, AFP)

■ U.S. Force Nearby

Alan Friedman of the International Herald Tribune reported from London: A U.S. official said Friday that while Washington was not planning any military force movements related to the evacuation, it will have an amphibious transport unit "in the area if needed."

The official said the unit, which includes helicopters and a Marine force including the amphibious assault ship Belleau Wood, would be taking part in a long planned U.S.-Thai military exercise, codenamed Cobra Gold, off the Thai coast.



Rick Byrnes/The Associated Press



Two-Chen Yeh/Agence France-Presse

A tearful unidentified woman hugging her sons in Taiwan after they arrived there safely on a flight out of Jakarta on Friday. Not everybody trying to flee the rioting, looting and arson was lucky enough to get on a plane quickly. Still waiting at the airport in the Indonesian capital were members of the Carmack family of Grand Junction, Colorado — Clayton, left, his sister Kelsey and their mother, Nancy — as well as Chris French, a Scotsman, sitting on the bench behind Mrs. Carmack.

At Jakarta's Airport, Planes Arrive Empty and Leave Packed

By Thomas Fuller
International Herald Tribune

JAKARTA — When her sister called and said that looters had broken down the door, ransacked the house and taken everything — television set, stereo, clothing and shoes — Elizabeth S. knew it was time to leave Indonesia.

Outside her own home, rioters set a brand-new Mercedes-Benz alight. A neighbor's house was gutted by fire, and there was no sign of the police. "We turned off the lights and stayed inside," said Elizabeth, a member of Indonesia's ethnic Chinese minority.

A few hours later, at 2 o'clock in the morning Friday, Elizabeth and her family stuffed their underwear with jewelry and money and headed for the airport with a few small bags and the hope that they would not be stopped by rioters along the way.

They were joined by thousands of ethnic Chinese families who sought tickets to Singapore, Australia, Bali or Malaysia — anywhere, family members

said, where they will be safe. After Indonesia's most serious rioting in decades, waiting lists for flights out of the country have swelled. Regional airlines have not been able to keep up. Airlines are flying to Jakarta with their biggest planes empty these days, but invariably leaving at full capacity.

And the ethnic Chinese are not the only ones on the planes. Foreign companies are evacuating expatriate workers and governments are chartering jumbo jets to get their citizens out.

On Friday, thousands of people slept on the marble and brick floor of the departure terminal here, waiting for the next flight out. Children romped around the terminal, ignoring the worried faces and glassy eyes of their parents sitting nearby.

The accommodations were far from luxurious, but the men and women waiting to leave Indonesia were no "boat people." The refugees at the Jakarta airport carried cellular phones and wore designer clothing.

A German couple, Petra and Michael Durakow, sat on the floor with a matching set of Louis Vuitton luggage piled high and a sleepy boxer named India curled up next to Mr. Durakow's khaki pants and black loafers.

"We closed the office down here and we sent the local staff home," said Mr. Durakow, whose company is building a gas pipeline in Sumatra. He and his wife

"I don't think this country is mine any more," an ethnic Chinese says.

had been waiting 10 hours in the terminal.

Nearby, an elderly ethnic Chinese woman sat motionless in her wheelchair parked next to a stack of bulky luggage. Children darted in and out of the crowds.

Among the Chinese Indonesians, there is anger that the police did not intervene soon enough in the violence that has claimed at least 200 lives and

left houses and shopping malls around the city looted and burned.

"I was watching TV last night, and the police were shaking the looters' hands," said Irvanto, 31, as he waited in line for a ticket to Batam, an Indonesian island near Singapore. "The army isn't doing anything to help. They just say: 'Go ahead, rob the Chinese.'"

Mr. Irvanto closed his clothing shop earlier in the week and said he did not know when he would be back.

"I don't think this country is mine any more," he said. "And I don't think a change in government will make a difference. If this continues I'll move to the United States."

Traveling as far as the United States would be impossible for many of the ethnic Chinese in the departure lounge. Melyana, a woman bound for Bali, said she chose to stay in Indonesia because she could not pay for her entire family to travel abroad.

"We can't afford to go to Singapore,"

she said. "Just for the visa fee, it's one million rupiah." That's about \$100 at today's exchange rate, but \$400 before the economic crisis began last year.

Yet others said proximity was the biggest factor in choosing where to go.

Singapore is the nearest place to run to," said a young woman rushing to board a flight with her family. "We are leaving in a hurry. We still have a lot of unfinished business."

Chinese Indonesians said they would return when the situation appeared stable. Few said they thought they would be away for more than two weeks.

Elizabeth, however, who is traveling to Perth with her family, said it could be months before her return.

For her son, that may mean missed opportunities. Recently, Kevin, who looked no older than 6, released an album named Susu Lagi, a collection of pop music sung in Indonesian, the language that he speaks with his parents.

"We had a lot of appearances scheduled for June and July, but now we don't know what we'll do," Elizabeth said.

INDONESIA: Counting the Victims as Suharto Remains Silent

Continued from Page 1

streets Thursday. On Friday, large sections of the city showed scars of the burning and looting. Charred vehicles littered the streets; buildings smoldered, and schools and businesses remained closed.

Banks were looted and automatic teller machines destroyed. Car dealerships, and the cars inside, were burned. In South Jakarta, a warehouse-sized Toys "R Us store had all of its windows smashed and was looted bare. High-rise office buildings had their windows smashed. Gasoline stations were destroyed.

Many stores and businesses went to great lengths to avoid ransacking, usually advertising themselves on makeshift placards as Muslim-owned, or "Pribumi," meaning native Indonesian-owned.

A McDonald's outlet on M. H. Thamrin Street used large sheets of cloth to cover its golden arches, apparently to avoid damage in case the riots took on an anti-Western tone. Nearby, the upscale Plaza Indonesia shopping center, home to fashionable boutiques and designer clothes shops, was ringed with barbed

wire and protected by army tanks.

The Mangga Dua section of the capital, a lower-middle-class market area of North Jakarta near Chinatown, showed some of the worst damage, and several buildings were still burning Friday afternoon.

Some store owners had spraypainted messages across their shuttered storefronts like, "Please don't burn this house or destroy this property — we are Muslim-owned."

Soldiers and marines kept up a highly visible presence Friday, blocking off key streets leading to some of the hardest-hit areas and parking tanks and armored vehicles at major intersections. Four armored vehicles were also stationed outside the Defense Ministry in the city center.

Aside from sporadic incidents, the streets were eerily calm Friday, mostly devoid of traffic, with public transportation all but stopped. Many people, fearing another spasm of violence, stayed indoors.

Meanwhile, the city began the grim task of counting the dead. It appeared that the toll would be far worse than previously thought, as bodies were discovered in the burned-out shells of stores

and shopping malls set ablaze during the rampage.

At least 200 people are believed to have been killed, most of whom were trapped inside burning buildings.

The most ghastly scene was at the five-story Yogya Plaza shopping center in East Jakarta, where 175 badly burned bodies were discovered Friday. The victims are believed to have been looters who had entered the mall before it was set on fire and who died as the flames raged through the structure, trapping them on the upper floors.

The destruction across the city and the huge death toll make this by far the worst riots to hit the capital in decades and further add to the pressure on Mr. Suharto, who so far has remained aloof amid the growing calls for his resignation.

Earlier this week in Cairo, where he had been attending a meeting of developing countries before rushing back to deal with this crisis, Mr. Suharto was quoted saying that if the people no longer wanted him, he would not use force to stay in power.

But on Friday his information minister, Alwi Dahlan, tried to clarify the statement, saying Mr. Suharto only offered to step aside, not actually resign — and he left vague the distinction between the two.

But the pressure appeared to be mounting on the president, with a faction of his ruling political machine, Golkar, joining the chorus of voices demanding that he quit. The Kosgoro faction of Golkar announced that it was withdrawing support for Mr. Suharto and asking him to step down, marking the first break in the history of the ruling party.

"It's a sign that people are deserting," a Western diplomat said.

The key player in any resignation scenario remained the country's powerful armed forces, or Abri, and on Friday night there were no clear signs whether Abri's top commanders were remaining loyal to Mr. Suharto or were ready to ask him to step down.

Diplomats and military analysts said they believed Thursday's riots posed a dilemma for Abri. The military is faced with a division in its ranks over how to deal with the protesters, with marines showing public sympathy for the young people in the streets.

The sight of marines in their scarlet berets glad-handing and exchanging high-fives with young demonstrators was repeatedly broadcast on Indonesia's state-controlled television news.

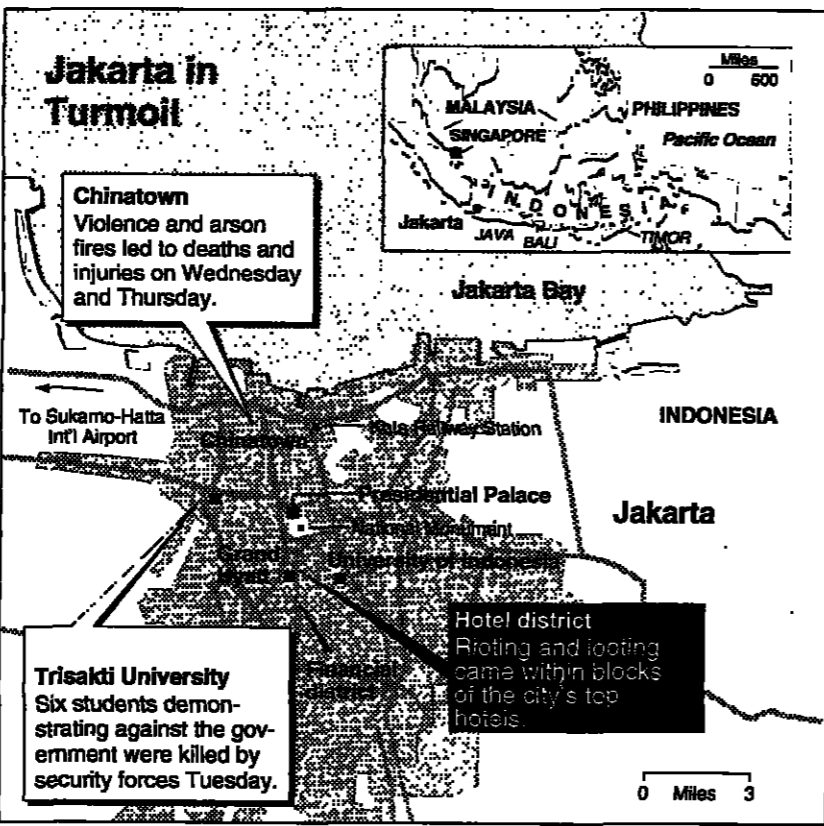
Also, the English-language Jakarta Post ran a front-page photograph of marines marching down riot-torn Salemba Raya Street alongside the protesters. Several marines had clenched fists raised defiantly in the air.

Given those extraordinary scenes, any military-ordered attempt to crack down on the protests now runs the risk of splintering the armed forces.

While military commanders meet behind closed doors, Mr. Suharto's civilian critics have tried to keep up the pressure.

One group has formed its own council, a kind of cabinet-in-waiting, that it hopes can pre-empt any attempt by the armed forces to set up its own ruling council.

The key figure behind the new civilian group is Amien Rais, a Muslim leader and academic who has emerged as Mr. Suharto's most vocal public critic. Speaking at a mosque Friday, he told worshippers: "This regime is facing its end, its death. There's no way to postpone it."



The New York Times

JAKARTA: Sympathy for Dead Looters

Continued from Page 1

said that of the 175 bodies his hospital had received, almost all of them burned to death, three had been stabbed to death and three, including Mr. Effendi's son, had been shot and killed.

"He went out yesterday at 2 o'clock to join the demonstrations," said Mr. Effendi of his son, who recently graduated from high school and was now, like millions of other Indonesians, without a job. "I said to him, 'Halt! Halt!' be careful. Late last night I got a call saying he had been killed by the police."

Mr. Effendi was angry. "I want justice," he said. But like many poor Indonesians, Mr. Effendi, who parks cars for a living, was focused more on his daily needs than on broader political issues.

Asked what he wanted now for his country, he said, "I want prices to go down."

The anger that has boiled up into student demonstrations and citywide rioting is a dangerous mix of economic concerns, caused by spreading inflation, joblessness and bankruptcies, and of political outrage against President Suharto and his three decades of strongman rule.

The doctors here at Cipto Mangrun Kusumo Hospital, at the University of Indonesia, were angry, too.

"It's horrible," said Dr. Levina, 27, an intern. It is time for the president to step down, she said. "Everybody here has the same statement. There is no doubt. You ask the doctors, the professors, anybody."

Outside the hospital, students with black armbands handed out small packets of food and water to the relatives who continued to arrive Friday afternoon, even as small vans delivered more bodies.

"We want reforms," said a 20-year-old law student who gave his name as Lucky. "First, political succession. Second, improvement of people's welfare."

He said the students who have held campus demonstrations for three months had hoped to avoid bloodshed and had not instigated the riots. But he said they shared common cause with the poor people who had died trying to loot the city's shops.

"We must step back and see why these people came to rob these malls and markets," he said. "Because they are poor, because they are hungry."

The black armbands, he said, were intended to mourn the six students who were shot and killed. But now they had taken on additional meaning.

"From now on," he said, "we mourn for this country."



An ethnic Chinese woman in Jakarta collecting her belongings in the street Friday after the quarter was looted.

CHINESE: After Looting and Arson in Jakarta, a Familiar Target of Indonesian Anger Is Again on the Run

Continued from Page 1

idental Palace. The Chinese, on the other hand, are an easy target, with shops and businesses everywhere in Jakarta.

As the mob seeks to vent its rage against Mr. Suharto, Chinese people have become the hapless proxies for an unpopular president.

"I guess they are jealous of us," said Johan, a gangly 20-year-old, as he struggled to understand why rioters rampaged through Chinatown on Thursday, laying waste to his neighborhood. "I know that many Chinese people are rich, but they should realize that not all Chinese are rich."

Indeed, Chinatown is a working-class community with small stores, car repair

shops and apartment buildings. Friday, the neighborhood looked as if it had been bombed, with debris piled high on the sidewalks and charred hulks of cars, trucks and motorcycles forming an obstacle course on the main street.

Nearby, a three-story shopping mall filled with Chinese-owned stores had been gutted by fire. As military police officers stood guard, shopkeepers sifted through the ashes for pots, pans and a few other possessions.

The perception of economic injustice has fed anti-Chinese feelings in Indonesia since the 19th century. Political analysts cite a simple statistic: Chinese people constitute less than 5 percent of Indonesia's population of nearly 200 million, but they own three-quarters of

the country's private wealth. By one estimate, Chinese entrepreneurs control 80 percent of the 163 companies listed on the Jakarta Stock Exchange.

Still, the animosities between indigenous Indonesians and ethnic Chinese run deeper than simple economics. Many Indonesians believe that leading Chinese businessmen made their fortunes through collusion with the Suharto government, which granted them lucrative contracts and franchises.

For example, Indonesia's richest man, Liem Sioe Liong, made his multibillion-dollar fortune by winning government contracts to build cement and steel plants and through monopolies on importing rice and sugar. Born in China, Mr. Liem is also one of Mr. Suharto's closest friends.

That relationship did him no good on Thursday, when a group of rioters made for Mr. Liem's house in central Jakarta, sacking and torching it. The blackened remains of a Mercedes-Benz sedan stood in the garage of the contemporary-style house, which is now little more than a concrete shell with smoldering cinders. On the fence in front, rioters had spray-painted the words "Suharto's Dog."

Friends of Mr. Liem said he was in Singapore at the time of the attack, as was his son and heir, Anthony Salim, who runs the family business. Mr. Salim is a member of Indonesia's delegation in talks to refinance \$80 billion in private-sector debt.

Mr. Chin, the businessman who is from Hong Kong but has Canadian citizenship, said that the Chinese population in Indonesia perpetuated the rift with indigenous Indonesians by living in enclaves and refusing to assimilate. "When you talk to the Chinese," he said, "they always refer to the Indonesians as locals."

But as terrifying as this week was, some ethnic Chinese said it was not as bad as the persecution that Chinese people suffered in 1965-66, the year of living dangerously in which Mr. Suharto wrested power from President Sukarno.

"In those days, the looters killed the Chinese shopkeepers," said Kwik Kian Gie, a prominent Chinese economist. "Now they only want to steal their property."

While military commanders meet behind closed doors, Mr. Suharto's civilian critics have tried to keep up the pressure.

One group has formed its own council, a kind of cabinet-in-waiting, that it hopes can pre-empt any attempt by the armed forces to set up its own ruling council.

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India Can M
Leader Says

Sanctions
Experts A

India Can Make a 'Big Bomb Now,' Leader Says, But Only for Defense

By Kenneth J. Cooper
Washington Post Service

NEW DELHI—Prime Minister Atal Bihari Vajpayee on Friday declared India to be a nuclear power capable of making an unspecified "big bomb," but he also said it would not be used in a first strike and only employed if necessary to defend the nation.

Mr. Vajpayee's first public comments on strategic issues since India's five underground tests this week spelled out that his coalition government planned to develop an arsenal of nuclear weapons. Since India's first test in 1974, successive governments have maintained that the nation's nuclear program was for peaceful purposes and asserted the right to keep open an option to produce warheads.

Mr. Vajpayee and other government

officials had earlier described what were detonated this week as "nuclear devices."

On Friday, in a speech to political supporters and then in an interview with India's leading newsmagazine, he spoke of "weapons."

"India is now a nuclear weapons state," Mr. Vajpayee told India Today, the transcript of which his office released. "We have the capacity for a big bomb now. Ours will never be weapons of aggression."

The prime minister's office initially released a transcript that said India already had a "big bomb" and also the necessary command and control system, but the government later issued a clarification that inserted the words "the capacity for" and deleted the reference to an oversight structure.

In a brief, sober speech to supporters

gathered outside his official residence, Mr. Vajpayee vowed, "We will not use these weapons against anybody. But to defend ourselves, if the need arises, we will not hesitate."

Mr. Vajpayee's declaration that India possesses nuclear weapons amounted to a demand that the international community recognize the nation as such, joining the United States, Russia, China, France and Britain. Once a nation signs the Nuclear Nonproliferation Treaty—India has not—it is allowed to keep its nuclear weapons and does not have to submit to the same international inspections of its facilities as other states.

India has challenged the international goal of limiting the number of declared nuclear powers to five and preventing the spread of such weaponry. That goal has been tenuous because India, Pakistan and Israel have achieved the capability to produce nuclear weapons, making them so-called threshold states.

Since its inception in the 1960s, India's nuclear program has been under the civilian control of government scientists and senior bureaucrats. A national security adviser to Mr. Vajpayee's political party said that a new command and control system to oversee nuclear weapons would be created separate from existing military services. According to a senior Vajpayee aide, Pramod Mahajan, civilian control would be maintained.

The national security adviser, Mohan Guruswamy, said that India's nuclear doctrine would be developed during the next few months as part of a national security review being directed by K.C. Pant, a former defense minister. Mr. Vajpayee explained India's decision to resume nuclear testing, which has brought a round of international condemnation, as motivated by a need to ensure the nation's "security and self-defense" and to update its knowledge of nuclear technology.

"We live in a world where India is surrounded by nuclear weaponry," Mr. Vajpayee said in the magazine interview. "The world community should appreciate the fact that India, the second most populous country on Earth, waited for five decades before taking this step"—that is, since independence.

India borders a declared nuclear power, China, and an undeclared one, Pakistan, the archenemy against which India has fought and won three wars. China defeated India in a 1962 border war that lasted a month.

The prime minister said in his speech that "in the last few years, our security environment on all four sides has deteriorated." He said: "New weapons are being made. Old ones are being modernized. In this region, weapons are being brought from outside," an apparent reference to the reported supply of missile technology to Pakistan by both China and North Korea.

The underground explosions at the desert testing site about 530 kilometers (330 miles) southwest of Delhi near the Pakistan border, he said, were also "done just to see that what you did in the lab will take shape on the ground or not."

Mr. Vajpayee, prime minister for two months, denied any partisan purpose to boost the popularity of his Hindu nationalist Bharatiya Janata Party, which dominates a disparate coalition that controls a narrow parliamentary majority.

Taken together, the separate sets of remarks sent mixed signals to the eight nations, including the United States, Japan and Germany, that have announced sanctions on India for going against the international movement toward nonproliferation. Mr. Vajpayee urged other nations to "rethink and reconsider" the suspension of various forms of aid to one of the world's poorest countries, but called sanctions "hypocritical" and vowed that India would withstand their impact.

Some countries that have imposed sanctions, he said, have conducted "far more nuclear tests" and have built "huge stockpiles of nuclear weapons and delivery systems" or have been "enjoying the shade provided by somebody else's nuclear umbrella."

"Sanctions cannot and will not hurt us," he continued. "India will not be cowed down by any such steps and punitive steps. India has the sanction of her own past glory and future vision to become strong in every sense of the term."



Protesters from various Pakistani religious parties holding an anti-India march Friday in Karachi, where Islamic clerics gathered to condemn New Delhi's nuclear program and demand that Pakistan conduct its own tests.

Pakistan Undecided on Test, U.S. Says

Compiled by Our Staff From Dispatches

ISLAMABAD, Pakistan—Pakistan appears to have made no final decision whether to detonate a nuclear device in response to India's five tests earlier this week, American officials said Friday.

The officials spoke after Deputy Secretary of State Strobe Talbott held talks here with Prime Minister Nawaz Sharif, Foreign Minister Gohar Ayub Khan and other senior Pakistani officials.

"It is our sense that the Pakistani leadership has not made a final or irrevocable decision over this issue," an American official said.

Earlier, Washington said intelligence reports indicated that Pakistan was preparing to explode a device in a remote southwestern desert region.

But the U.S. officials said it appeared that Pakistan was waiting to see if the leaders of industrialized nations meeting in Birmingham, England, would stiffen sanctions against India.

"Our position is quite clear," said Tariq Alfat, the Foreign Ministry spokesman. "Our response will be in keeping with the threats we are facing and with our national security interests."

Before the meetings Friday, Mr. Sharif said Pakistan was in "no haste" to conduct a nuclear test. "We have the capability and we did not test the bomb for the last 15 or 20 years," Mr. Sharif said. "We are in no haste to test the bomb immediately after India tested the bomb," he added on state television.

On Thursday, Pakistani senators demanded that Pakistan conduct a test. A military expert said a nuclear test by Pakistan could propel the Subcontinent into arms-control talks and put



Foreign Minister Gohar Ayub Khan of Pakistan, left, met with Strobe Talbott, the U.S. deputy secretary of state, in Islamabad on Friday.

the brakes on a budding arms race. "Until you admit you have the weapons, you can't start talking about reducing them," said Shireen Mazari, a South Asian military expert.

Meanwhile, Pakistan's former prime minister, Benazir Bhutto, called for strong action against India. "Rogue nations that defy world opinion ought to be taught a lesson," she said. "If a pre-emptive military strike is possible to neutralize India's nuclear capability, that is the response that is necessary."

Pakistan has been subject to U.S. sanctions since 1990, when Washington cut off \$650 million in military and humanitarian aid, saying Pakistan had a nuclear bomb.

At the time, Pakistan was awaiting an

order of American F-16 aircraft. Although the United States froze the order, the manufacturer continued making the planes, and Pakistan continued to make payments as the two countries tried to negotiate an end to sanctions.

There is speculation here that in exchange for Pakistan's not conducting a nuclear test, Washington may offer to return its money or give Pakistan about 20 F-16s already built and in storage in the United States.

President Bill Clinton, at a meeting of leading industrialized nations in Birmingham, England, said Friday that he hoped Pakistan could find a way to avoid a nuclear test and "show a great act of statesmanship and restraint."

(AP, AFP, Reuters)



Members of India's National Trade Union and National Democratic Front shouting slogans Friday in New Delhi against the nuclear testing.

Sanctions Against India: Experts Are Skeptical

By Paul Blustein
Washington Post Service

WASHINGTON—U.S. sanctions against India are likely to inflict only modest economic punishment, according to many experts, despite claims by Clinton administration officials that New Delhi will suffer greatly for testing nuclear devices.

A major problem, analysts said, is that the sanctions thus far do not enjoy enough support from other rich countries. European nations, in particular, may be willing to fill the breach in loans and credit guarantees opened by the U.S. sanctions.

Moreover, India has a relatively closed economy that is less vulnerable than many other countries to a sudden loss of credit. India's main stock index, which plunged 6 percent this week over fears about the sanctions' economic effects, recovered about half of that loss Thursday as investors voiced relief that the economy appeared likely to escape a nasty blow.

Administration officials, in announcing President Bill Clinton's decision to impose curbs on U.S. trade, aid and loans to India, said the pain in India would be acute.

"I am certain that India will soon understand the far-reaching impact of the president's decision," said Karl In-Werth, assistant secretary of state for South Asian affairs.

All told, the sanctions would affect about \$20 billion in loans, guarantees and other economic aid.

But the penalties that Mr. Clinton imposed are not nearly as drastic as, say, the near-total embargo on Iraq's global trade, which is backed by a United Nations resolution.

Rather, the sanctions bar U.S. government agencies such as the Export-Import Bank and the Overseas Private Investment Corp. from financing deals with India, and prohibit the sale of weapons or technology that could be used to make weapons. Moreover, U.S. foreign aid to India is suspended—and new World Bank loans to the country are endangered, because Washington will oppose them.

So while American companies such as Boeing stand to lose hundreds of millions of dollars in orders from India for lack of government financing, the Indians may well be able to obtain the products they need from other sources: Airbus Industrie of Europe, Boeing's rival, being an obvious candidate.

Mr. Clinton will be striving mightily this weekend at the annual economic summit of seven major industrial nations and Russia to persuade his fellow leaders to adopt the U.S. approach. So far, though, among those nations, only Japan has said it will join Washington in suspending aid.

Kimberly Elliott, a research fellow at the Institute for International Economics in Washington, said that if the summit leaders could "put together a coordinated package, it would have an impact—not a huge one, but it would be felt."

She added, however, that "it doesn't look like you're going to see that degree of cooperation."

India is much less vulnerable to sanctions than many of its Asian neighbors, economists agree, because its economy has been isolated until recently and its people are so accustomed to grinding poverty.

The Indian economy boomed for several years following the 1991 adoption of economic reforms aimed at reversing decades of protectionism and statist controls. Economic growth slowed in 1997 to about 5 percent, however, as the government backtracked on pro-market policies, and foreign investment in the economy has remained at modest levels: just a little over 1 percent of the nearly \$400 billion in gross domestic product.

"If you launched sanctions like this on China, the effect would be much greater, because they depend so much more on foreign investment," said David Rothkopf, a former senior Commerce Department official, adding that India's "backward economic policies have actually immunized it against the consequences of ill-considered foreign policies."

Even cutting off new World Bank loans and other foreign aid would likely produce a gradual, modest squeeze on Indian living standards rather than a severe one, analysts said.

While India is one of the world's biggest aid recipients, international assistance accounts for only about 1 percent of GDP.

The Indian authorities, some experts said, still ought to worry about one scenario: a dramatic change for the worse in sentiment among both foreign and domestic business executives.

"I've gone there a huge number of times, especially in the past couple of years, and I'm impressed by the real dynamism of their modern entrepreneurial sector," said W. Bowman Cutler, a former White House official who heads a company that has invested in several Indian ventures. "That could dry up, and it would be felt a lot. But it's not inevitable."

CAMPAIGN: China Military Tied to Democrats' Fund-Raising

Continued from Page 1

making it easier for American civilian communication satellites to be launched by Chinese rockets, a key issue for the People's Liberation Army and for Miss Liu's company, which sells missiles for the military and also has a troubled space subsidiary.

The president's decision was valuable to Miss Liu for enabling her company to do more business with American companies, but it had also been sought by American aerospace corporations, including Loral Space & Communications and Hughes Electronics Corp., a unit of General Motors Corp., seeking to do more business in China.

A lawyer for Mr. Chung, Brian Sun, declined to comment on his client's conversations with investigators, citing his client's sealed plea agreement with the Justice Department.

Mr. Chung has denied being an agent of the Chinese government.

A National Security Council spokesman, Eric Rubin, said, "It is ludicrous to suggest there was any influence on the determination of U.S. policy on this matter."

Miss Liu did not return a message left with her office in Hong Kong.

Mr. Chung's revelations have opened an avenue of inquiry leading in a diplomatically sensitive direction. Next month, Mr. Clinton goes to Beijing,

where he hopes to announce increased space cooperation between China and the United States.

A representative of the Chinese government denied that Beijing was behind the purported contributions. "China has always abided by the laws and regulations in this country," said Yu Shunling, a press counselor for the Chinese Embassy in Washington. "We have nothing to do whatsoever with political contributions in this country."

Mr. Chung, an American citizen who was born in Taiwan, owned a flourishing facsimile company in Torrance, California. He became involved with the Democratic Party in early 1995 through Asian-American contacts at the White House and was known for constantly trying to use his connections in Washington with Chinese government officials and executives.

Despite being labeled a "hustler" by one presidential aide in 1995, Mr. Chung managed to visit the White House at least 49 times. He and his company contributed \$366,000 to the Democratic National Committee—most of it before he met Miss Liu. The full amount was later returned after questions were raised about Democratic fund raising.

A Democratic National Committee spokesman, Richard Hess, said, "We did not know and had no way of knowing the source of his funds."

Mr. Chung met Miss Liu in June 1996 in Hong Kong. She was not only a lieutenant colonel in the military, but a senior manager and vice president in charge of international trading for China Aerospace International Holdings Ltd., according to the company.

The company is the Hong Kong arm of China Aerospace Corp., a state-owned jewel in China's military industrial complex with interests in satellite technology, missile sales and rocket launches.

Miss Liu's father, General Liu, was China's senior military officer, and as vice chairman of the powerful Central Military Commission was in charge of China's drive to modernize the People's Liberation Army by selling weapons to other countries and using the hard currency to acquire Western technology.

In addition to his military role, General Liu was a member of the Standing Committee of the Politburo of the Communist Party, the very top circle of political leadership in China. He retired from his official positions last fall at the time of the party's 15th congress.

China Aerospace sells satellites, launches them and owns a large chunk of a Hong Kong satellite operator, but the financial viability of many of these ventures depends on American satellites. In 1996, Mr. Clinton made it easier for American satellites to be launched by Chinese rockets.

SUMMIT: Call to Condemn India Tests

Continued from Page 1

posed to imposing sanctions on India, Prime Minister Jean Chretien criticized European governments on Friday for what he called their "slow" reaction to India's nuclear tests this week.

"The Europeans' attitude is rather slow in coming," he said in Birmingham. "We have reacted more rapidly and more strongly."

Asked if Britain was ready to introduce economic sanctions against India, Mr. Blair's spokesman said London was "debating a range of options" and had held back so far "precisely because of our role as president of the European Union and the G-8." The British spokesman said Mr. Blair believed that as far as India was concerned "we have to keep the temperature lowered a little bit."

Mr. Clinton, by contrast, used each photo opportunity during Friday's round of meetings to urge the group to take "a clear position" condemning India and asking Pakistan not to conduct nuclear tests. The U.S. president said he would urge his G-8 colleagues to find "a formula" that would make it "politically possible" for Pakistan "not to go forward" with its own nuclear tests. This

formula, Mr. Clinton said, might include an effort to arrange for Pakistanis to receive "their money back" for some U.S. F-16A fighter jets that were paid for but never delivered.

Pakistan is owed \$501 million for the aircraft it never received because of U.S. legislation blocking delivery unless the U.S. president certified that Pakistan was not in possession of nuclear weapons. A U.S. official said Friday that Washington was working to find a third-party buyer for the fighter jets.

Aides to Mr. Clinton also said that Strobe Talbott, the deputy secretary of state, would fly to Birmingham on Friday night from Islamabad, where he had held talks with Pakistan's prime minister, Nawaz Sharif. But U.S. officials declined to comment on what inducements Mr. Talbott might have offered to Pakistan in his effort to stop a new round of tit-for-tat nuclear tests.

Mr. Clinton said it would be "a great act of statesmanship and restraint" for Pakistan to not go ahead with nuclear tests. But he acknowledged the "overwhelming political pressure that must be building up on them at home." Some officials of the countries represented at the summit meeting believe that Pakistan may go ahead with a nuclear test in a matter of days, notwithstanding Mr. Talbott's mission and their own calls for restraint.

"It is too late," a French official said Friday, explaining that France and other G-8 countries had received indications that Pakistan had decided to proceed with a nuclear test.

The Group of Seven industrialized countries—the United States, Canada, Britain, Germany, France, Italy and Japan—has admitted Russia this year to its annual summit conference, forming the Group of Eight. Russia does not participate, however, in G-7 meetings of finance ministers.

While the leaders did not concur on joint sanctions for India, they found it easier to agree on how worried they were about the political crisis in Indonesia. When asked if President Suharto should step down, Mr. Clinton said that it was for the Indonesian people to decide. "What we do believe is important," he added, "is that the present government open a dialogue with all the elements of society and that it lead to genuine political reform."

Mr. Clinton also issued a written statement Friday in which he urged the Suharto government to head Indonesian demands for economic and political reform.

"Giving the people of Indonesia a real voice in the country's political affairs can make a real contribution to restoring political order and stability based on human rights and the rule of law," Mr. Clinton said in the statement. President Jacques Chirac, who also met separately with Mr. Clinton ahead of the summit talks, said he hoped for "a peaceful solution" to the Indonesian crisis.

Blasts Expose Problems of Verification

By William J. Broad
New York Times Service

NEW YORK—Only one of the five nuclear tests that India announced this week was detected by the thousands of seismometers around the world set up to track earthquakes and atomic blasts, renewing a debate among experts about how effectively a test ban treaty can be monitored.

Some weapons analysts say the failure to detect four of the tests—only the largest, on Monday, was registered—has landed a body blow to the international monitoring system set up as part of the Comprehensive Test Ban Treaty.

Others say the lack of data on the four blasts is insignificant, and that scientists might fill the void in the coming weeks as more information is studied.

"It raises very serious questions about the verifiability of this treaty," said Frank Gaffney Jr., a former Pentagon official who directs the Center for Security Policy, a research group in Washington that opposes many of the Clinton administration's arms-control goals.

But Gregory van der Vink, director of planning at Incorporated Research Institutions for Seismology, a scientific consortium in Washington, strongly disagreed.

While acknowledging that "we really have only one seismic signature, and that's from Monday's blast," he added: "This is not a failure of the international monitoring system but a recognition that there will always be some level below which we won't have a high certainty of making detections."

For generations, arms controllers advocating a global ban on the underground testing of nuclear weapons have said that such a treaty could be policed by seismometers.

The Clinton administration has championed not only the test ban treaty, which it signed in 1996, but also the construction of a global network of seismometers to achieve the monitoring goal.

The vivid demonstration of the system's weakness is likely to stir more debate over the usefulness of a policeman who can catch only one in five offenders, and perhaps of the law giving the policeman such authority.

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SINATRA: The 'Voice' Dies at 82

Continued from Page 1

Jersey, was a symbol of ethnic achievement. And more than most entertainers, he used his influence to support political candidates. His change of allegiance from pro-Roosevelt Democrat in the 1940s to pro-Reagan Republican in the 1980s paralleled a big shift in U.S. politics.

Mr. Sinatra left his imprint on scores of popular songs and was the background voice, it seemed, for the romances of most Americans, from the earliest to the second time around.

Among the standards he recorded at least three times were "All or Nothing at All," "Angel Eyes," "Autumn in New York," "I Concentrate on You," "I Get a Kick Out of You," "I'll Be Seeing You," "I'll Never Smile Again," "I've Got a Crush on You," "I've Got You Under My Skin," "Nancy (With the Laughing Face)," "Night and Day," "One for My Baby," "September Song" and "Stormy Weather."

His personal signature songs included "Put Your Dreams Away" (his 1945 theme) and later "Young at Heart" (1954), "All the Way" (1957), "It Was a Very Good Year" (1965), "Strangers in the Night" (1966), "My Way" (1969) and "New York, New York" (1980).

Mr. Sinatra was born in Hoboken on Dec. 12, 1915, the only child of Martin Sinatra, a bootmaker and sometime boxer from Catania, Sicily, and his wife, Natalie Garavante, nicknamed Dolly.

In 1935, he joined three other young men from Hoboken who called themselves the Three Flashes. The quartet renamed itself the Hoboken Four and won first prize on "Major Bowes's Original Amateur Hour."

After several months with the group, Mr. Sinatra decided to go it alone, and in the late 1930s he had his first important nightclub engagement, at the Rustic Cabin, a roadhouse in Alpine, New Jersey. Local radio exposure brought him to the attention of Harry James, the trumpet player who had recently left Benny Goodman to form his own band. Mr. James signed Mr. Sinatra for \$75 a week, and the singer made his first concert appearance with the James band in June 1939 and his first recording the next month.

Early that year, he married his longtime sweetheart, Nancy Barbato. They would have three children: Nancy, who was born in 1940; Franklin Wayne (later shortened to Frank Jr.), born in 1944; and Christina (Tina), born in 1948.



Montgomery Clift and Frank Sinatra in "From Here to Eternity" (1953), for which Mr. Sinatra won an Academy Award as best supporting actor.

Six months after Mr. Sinatra signed with Harry James, Tommy Dorsey invited him to join his band, which was far more popular. Mr. Sinatra remained with Mr. Dorsey from January 1940 until September 1942. His first successful record with the band was "Polka Dots and Moonbeams." Six months after joining the Dorsey band, he scored his first No. 1 hit, "I'll Never Smile Again."

Determined to be the first singer since Bing Crosby to have a successful solo career, he split from Mr. Dorsey, who held him to a contract that gave the band leader 43 percent of the singer's income for the next decade. Eventually Mr. Sinatra, with his record label, Columbia, and his booking agency, MCA, bought out the contract.

Mr. Sinatra's last concert with the Dorsey band was in September 1942. Three months later, he made history at age 27 with his first solo appearance at the Paramount Theater in New York City. Billed as an "extra added attraction" on a program headlined by Benny Goodman, Mr. Sinatra appeared on Dec. 30 and evoked a public hysteria that made headlines. Within weeks he had signed lucrative contracts with Columbia Records, R.K.O. Pictures and the radio program "Your Hit Parade."

Mr. Sinatra's first movie appearance was in 1940, singing with the Dorsey band in "Las Vegas Nights." He made his movie acting debut in 1943, in "Higher and Higher." The film was followed by "Step Lively" (1944) and

"Anchors Aweigh" (1945), the first of three movies in which Mr. Sinatra played Gene Kelly's sidekick.

Although he had shown himself to have an engaging screen presence, his film career had not made him a top box office star. From 1946 to 1949, he appeared in five MGM musicals — "Till the Clouds Roll By" (1946), "It Happened in Brooklyn" (1947), "The Kissing Bandit" (1948), "Take Me Out to the Ball Game" (1949) and "On the Town" (1949) — and one R.K.O. film, "The Miracle of the Bells" (1948).

After two more unsuccessful pictures, "Double Dynamite" (1951) and "Meet Danny Wilson" (1952), his movie career all but evaporated.

While his career was in decline in the late 1940s, his marriage to Nancy Barbato also unraveled. In 1949 he had begun an affair with Ava Gardner, the movie star. The relationship became public the next year, and on November 7, 1951, a week after his divorce was final, he married her in Philadelphia. The marriage lasted just less than two years.

Mr. Sinatra's phenomenal resurgence began in 1953 with the release of "From Here to Eternity," Fred Zinnemann's film version of James Jones's best-selling novel about American G.I.'s in Hawaii on the eve of World War II. His portrayal of Maggio, the combative Italian-American soldier who is beaten to death in a stockade, his spirit unbroken, won him rave reviews, an Oscar and renewed public sympathy.



President Ronald Reagan cutting in on Nancy Reagan's dance with Mr. Sinatra at a 1981 event. By the '70s, Mr. Sinatra was a supporter of the right.

In April 1953, Mr. Sinatra, then 37, signed with Capitol Records. A cautious deal, the contract was for only one year. The collaboration with the arranger Nelson Riddle hit its artistic peak with three albums. "In the Wee Small Hours," a 16-cut collection of classic torch songs sung in a quietly anguished baritone, was released in the spring of 1955. "Songs for Swingin' Lovers," released a year later, defined Mr. Sinatra in his adult "swinging" mode.

After "From Here to Eternity," Mr. Sinatra's movie career boomed, with the roles many and varied. He played the perennial gambler Nathan Detroit in the film adaptation of the Broadway musical "Guys and Dolls" (1955), a heroin addict in "The Man With the Golden Arm" (1955), and an Army investigator tracking a would-be assassin in the political thriller "The Manchurian Candidate" (1962).

Mr. Sinatra remained a top box office draw for nearly a decade, and his success as both singer and actor led the New York radio personality William B. Williams to nickname him Chairman of the Board of show business. The name stuck for the rest of his long career.

"Ocean's Eleven" (1960) was the first of three Sinatra films to feature the star surrounded by the hard-drinking, high-living clique — nicknamed the Rat Pack — that included Dean Martin, Peter Lawford, Sammy Davis Jr. and Joey Bishop. The Rat Pack would appear together in three more light-

hearted capers: "Sergeants Three" (1962), "Four for Texas" (1963) and "Robin and the Seven Hoods" (1964).

After supporting Adlai Stevenson's bid for the presidency in 1956, Mr. Sinatra worked avidly for John F. Kennedy in 1960 and supervised the newly elected president's inaugural gala in Washington in January 1961. But his pro-Kennedy sentiments cooled after the president canceled a weekend visit to Mr. Sinatra's house because the singer had played host to the Chicago mob boss, Sam Giancana, and his associates. By the 1970s, Mr. Sinatra had turned to the right. He became a supporter of Richard Nixon and Ronald Reagan.

His 50th birthday in 1965 was celebrated with the release of two deliberately monumental albums, "September of My Years" and "A Man and His Music," an anthology of his career that he narrated and sang.

Mr. Sinatra scored a double triumph in 1966 when "A Man and His Music" was voted album of the year, and "Strangers in the Night," his first No. 1 single in 11 years, won record of the year. The string of hits continued with a Top 5 hit, "That's Life" (1966), and "Something Wild" (1967), a duet with his daughter Nancy.

In 1969, he had a substantial hit with "My Way." Along with "New York, New York," which he recorded for a three-disc set, "Trilogy: Past, Present, Future" (1980), it became one of the signature songs of his later years.

The moment when Mr. Sinatra and his style of music seemed the least fashionable was in the late 1960s, when the rock counterculture dominated popular music. His marriage in 1966 to the actress Mia Farrow, then 20, seemed in part to be a search for a youthful connection. They were divorced in 1968.

In June 1971, Mr. Sinatra announced his retirement during a gala concert at the Dorothy Chandler Pavilion in Los Angeles, but it lasted only two years. He returned with the album "Ol' Blue Eyes Is Back," the title of which gave him his last show business nickname.

In 1976 he married for the fourth time, to Barbara Blakely Marx, who had been married to Zeppo Marx.

BRIEFLY

North Korea Fails To Return Remains

PANMUNJOM, Korea — U.S. military officials accused North Korea on Friday of reneging on a promise to return remains believed to belong to two U.S. soldiers killed in the Korean War.

The officials said they traveled to this border village in the Demilitarized Zone to accept the remains. When no North Koreans showed up, they pulled back. "Their failure to comply with this humanitarian agreement is all the more disappointing," Major General Michael Hayden of the air force said. (AP)

Cambodia Talks Adjourn Quickly

PHNOM PENH — Cease-fire talks between the Cambodian government and a military team under the deposed co-prime minister, Prince Norodom Ranariddh, broke down soon after opening Friday because of a disagreement over a member of the prince's team.

The government side objected to the presence in Prince Ranariddh's five-member delegation of Long Sarin, a senior official from the Cambodian embassy in Bangkok. The government said that only military officers were eligible. (Reuters)

Pakistan Christians Clash With Police

LAHORE, Pakistan — The police clashed with thousands of Christians on Friday who were calling for the repeal of blasphemy laws that led to the suicide of a Roman Catholic bishop last week.

Witnesses said police used tear gas and sticks to control sections of a huge demonstration in the Punjab capital, Lahore, against laws under which blasphemers can be executed. (Reuters)

China Police Call For Explosives Curb

BEIJING — Chinese police ordered a crackdown Friday on explosives, the Xinhua press agency said, a move that followed a recent spate of deadly blasts.

"Work units using explosives must strictly abide by national regulations and may not illegally manufacture, sell, buy, transport, store or use explosives," Xinhua quoted a circular by the Ministry of Public Security as saying.

It added that businesses losing explosives would be held responsible. (Reuters)

Marjory Douglas, Defender of Florida Everglades, Dies at 108

New York Times Service

NEW YORK — Marjory Stoneman Douglas, the spirited writer and environmentalist who was known as the patron saint of the Florida Everglades for her ceaseless campaign to preserve the fragile wetlands, died Thursday at her home in Miami. She was 108 years old.

The author of many short stories, novels and works of nonfiction, Mrs. Douglas was best known for her 1947 call to arms, "The Everglades: River of Grass,"

which was at once a natural and political history and a prescient warning of what was to come if developers and other commercial interests were permitted to have their way with the unique wetlands that covers much of southern Florida.

The book became a best-seller and transformed public perception of the wetlands, which was then considered by most people to be a useless swamp that should be drained and developed for farming and housing.

She also helped lead the campaign in 1947 to have the central core of the Everglades preserved as Everglades National Park.

H. D. Quigg, 86, UPI Reporter Who Covered Moon Landing
NEW YORK (AP) — H. D. (Doc) Quigg, 86, who covered two wars, the moon landing and some of the biggest trials of the century during a 49-year career as a reporter for United Press

International, died Tuesday at St. Vincent's Medical Center of complications from heart disease.

Mr. Quigg was with General Douglas MacArthur in the Pacific during World War II, and in 1947 accompanied Admiral Richard Byrd on his expedition to the Antarctic. Among the court cases that he covered were the trials of Jack Ruby, Alger Hiss, Dr. Sam Sheppard, James Earl Ray and the Chappaquiddick inquiry involving Senator Edward Kennedy.

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The New Look of Vincent Perez

By Michael Gibson
International Herald Tribune

The house changed hands a number of times, and in the '80s, despite an eleventh-hour attempt by the Ministry of Culture, the



The exhibition remains at the Pompidou Center until July 27 and moves to the Dusseldorf Kunstsammlung from Sept. 5 to Nov. 28.

Squeezing perforator with a drum, Eastern Han dynasty (25–220 A.D.)

2, rue de Miromesnil, 75008 Paris
Tél. 33 1 42 65 51 05 - Fax 33 1 42 66 90 28

By Joan Dupont
International Herald Tribune

CANNES FILM FESTIVAL

The Other

Perez, whose mother is German and father Spanish, was raised in a Swiss village; he left Switzerland for France and lost German as his primary language at 14. "Perhaps English became my new mother tongue," he says.



Perez feels that his progress as an actor, is about "being free and to be free, you have to be able to face your fears." He started on Viviane right after playing the daredevil Duc de Nevers in Philippe de Broca's "Le Bossu": "De Nevers felt he was above it all — that helped me a lot." The actor, who has had famous

"The idea of becoming a woman was impossible for me too, but this kind of challenge brings out new things in my acting. I used to feel you had to show, to bring things to people, but it's good to let them steal from you. With Viviane I decided not to show, just to be."

By Grace Glueck
New York Times Service

Despite the massing of details, light fills this and other early Thames views, like the 1860 print "Rotherhithe" (a grungy neighborhood east of the Tower of London) that combines riverscape with portraiture. In it, two men relax on a dock in the close foreground; immediately behind them loom a wall and a maze of masts and rigging. The flat picture space was possibly derived from Whistler's study of Japanese prints. In scenes like these, he often allowed the emptiness of the sky to be reflected in a corresponding patch of water, enhancing the light while providing a calm foil for the action on the river.



He was moving toward the impressionistic style that came to full fruition in his wonderful Venetian series. He went to Venice in 1879 on a commission from the Fine Art Society of London for 12 etched views of the city. His was not the tourist's Venice. He drew courtyards, out-of-the-way canals, bridges and people, often working directly on an etching plate he carried with a fine needle or a dentist's tool. And he adopted a new style that seemed tailored to the Venetian environment and character.

Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

Sunset for Suharto

There are no magical answers to the political and economic troubles engulfing Indonesia. A lethal combination of corruption, irresponsible economic management and autocratic leadership has brought the world's fourth-most-populous nation to the brink of chaos. But it is now clear that recovery cannot begin as long as President Suharto remains in power.

Like the Shah of Iran two decades ago, and Ferdinand Marcos in the Philippines in 1986, Mr. Suharto faces a popular rebellion and can retain power only through the use of military force against his countrymen.

Eventually, even the army may turn against him to end the bloodshed.

He can spare Indonesia further turmoil by yielding office to a government that quickly sets a date for free and fair elections.

Little about Mr. Suharto's 32-year rule would suggest he will act with compassion or in the public interest. Since Indonesia's economic meltdown began last year, he has moved primarily to protect his family's financial interests and to preserve his own power. There was no reservoir of public support to carry him through the price rises produced by the collapse of the currency and the end of expensive subsidies—a reform demanded by the International Monetary Fund as the price of its bailout. Indonesians are particularly angry because Mr. Suharto

has not been as willing to close insolvent banks controlled by his family and business partners.

The only way for Indonesia to make needed reforms is to carry them out under a new government made up of trusted leaders. In South Korea a newly elected leader, Kim Dae Jung, has persuaded citizens to accept measures that his predecessor could not. Mr. Suharto's suffocating rule has stunted Indonesian politics and left the country without seasoned opposition leaders. There is a danger that one of his obedient associates will try to hold power if Mr. Suharto steps aside or that the army will try to run the country. The best way to avoid that is to move swiftly to elections.

The military should refuse to repress peaceful protests and turn its attention to stopping looting and mob violence, offering special protection to Chinese shopkeepers, who are a common scapegoat in troubled times. The United States should immediately end all military training for Indonesian soldiers and freeze all weapons transfers.

President Bill Clinton has sent several delegations to Jakarta in recent months to press Mr. Suharto to reform. The only message left to send is to urge Mr. Suharto to resign and to tell his successors the hour for democracy in Indonesia has come.

—THE NEW YORK TIMES.

Assurances for Pakistan

In the race to keep Pakistan from following India into nuclear testing, the United States has three options that need to be bound into a coherent policy.

The first is to contain the damage. By whatever persuasion and arm-twisting it takes, U.S. officials should try to ensure that new testing does not lead to deployment. A higher position on the nuclear ladder for one or both the South Asian countries should not moot the obligation of restraint. India may be hard to reach: Its pride is high, and as a nation that lives with mass poverty, it will not yield easily even to punishing sanctions. But there are degrees of harm from the testing, and the lesser degrees are better.

Then, the United States and others must refocus on the security requirements of Pakistan. The Indian tests have made the Pakistanis, already feeling vulnerable, feel doubly so. The team President Bill Clinton sent to Islamabad to argue abstinence from testing will surely be asked how the administration intends to extend protection.

Part of the answer is by immediate release of the U.S. warplanes that Pakistan bought and paid for but was not

allowed to take possession of because of its own lesser nuclear proclivities. Another part is to show the Pakistanis, by imposing severe sanctions on India, what they might suffer from their own testing. A further part lies with China, which in this instance stands closer to American policy than does friendly, democratic India. China is the strategic patron of Pakistan and the technical enabler of its testing capability.

Finally, the entire disarmament cause must be revived in pace and scope to match the newly demonstrated urgency. The declared nuclear countries have far to go to be able to lead by example rather than by exhortation. This was the explicit condition of the nuclear privilege granted the United States and the other declared powers in the basic nonproliferation treaty.

The test ban treaty's lack of enforcement provisions is painfully evident. Still, its value in setting nuclear standards remains. The treaty does not come formally into effect until India and at least 39 other nations with civilian nuclear power accept it. The U.S. Senate, which has been sitting on this treaty, should ratify it now.

—THE WASHINGTON POST.

Close a Dirty Chapter

Despite the Clinton administration's promise to open Cold War archives, Central American and Caribbean countries investigating recent abuses have found it difficult to get information they need. U.S. intelligence and diplomatic officials serving in Honduras, Haiti, El Salvador and Guatemala collected information about human rights, and many had relationships with the abusers. But when investigators in trials or truth commissions have sought the documents, declassification has often been incomplete and tardy.

An effort to change this deserves the administration's full support. The Human Rights Information Act would give agencies 120 days to make declassification decisions on requests from truth commissions and other official investigative panels. Currently the process can take years—Honduras has been waiting since 1993 for documents from the CIA.

The bill covers only Central American and Caribbean nations, but can and should be broadened. It would also require the agencies to lean toward openness, applying standards that have been used successfully in the recent releases of documents on the Kennedy assassination without revealing intelligence sources or methods. They require a precise definition of harm to national security before material can be withheld. This should combat the widespread practice of keeping material classified merely because it embarrasses the U.S. government.

Administration officials say the bill

will let Congress dictate matters that should be the prerogative of the president. But the measure gives the president the final say.

They also argue that this administration has done more than any previous one to declassify documents and reveal past U.S. abuses. That is true, but since it is unencumbered by Cold War abuses, and the old enemy is gone, it should be doing more. Countries find it difficult enough to uncover the past, bring abusers to account and create respect for the law without having to wrestle with Washington along the way.

—THE NEW YORK TIMES.

Other Comment

The Aspiring Irish

The agreement explicitly makes clear the legitimacy of the aspiration for a united Ireland and contemplates advocacy for that position in a peaceful and democratic way. And it commits both governments to facilitating that if at any time in the future a majority of the people of Northern Ireland conclude that they want to join a united Ireland. It should be up to the people of Northern Ireland to decide how they want to live their lives. If Americans believe anything, do we not believe in the right of self-determination? Do we not believe in the right of each individual to decide his or her future and each society to decide its own future?

—George Mitchell, in a speech to the National Press Club.

A Military Strike Will Teach Rogue India a Lesson

By Benazir Bhutto

DUBAI — While the world slept, India detonated a series of nuclear tests signaling its determination to threaten the entire nonproliferation regime in the region. That India chose to detonate nuclear devices before President Bill Clinton's visit this November to South Asia showed its defiance of world opinion in the age of Pax Americana.

The post-Cold War global regime has been predicated on the free flow of information and technology. This, we believed, was a world of markets, not missiles. However, India chose to gamble more than \$30 billion of foreign investments on a series of tests that have united the nation behind its weak coalition government.

The Indian explosion is a direct challenge to the American-led efforts to arrive at a Comprehensive Test Ban Treaty and at a regime to control weapons of mass destruction.

To Pakistan, which suffered disintegration at the hands of India in 1971, it is a clear warning to desist from its support to the people of Jammu and Kashmir at the insistence of a nuclear India. China, surely, is uneasy, too.

As prime minister of Pakistan, I tried to convince Western leaders for more

than a decade that, in the absence of Western mediation, South Asia was plunging headlong into a proliferation race that Pakistan did not want and sought to prevent. I stressed that the 50-year-old dispute over Kashmir, where an uprising had tied down 600,000 Indian troops, was leading to a dangerous flashpoint in South Asia. Alas, my pleadings failed to convince a Western world preoccupied with the Mideast peace talks, and the bloodshed in Bosnia, Rwanda and other parts of the world.

Western leaders believed, and told me so, that they preferred India and Pakistan to deal bilaterally with the dispute that threatened a nuclear race. This was a strategic error. It paved the way for India to come out openly as a nuclear power.

What is the Pakistani reaction? Pakistanis believe that the West will impose sanctions for some time but will ultimately acquiesce to India as a nuclear power. After a decade, the West will reward India, as a nuclear power, with a seat in the UN Security Council along with other members of the nuclear club.

Two years ago, when the Chinese and the French tested nuclear devices against the backdrop of the test-ban treaty talks, I received disturbing reports as prime minister. These reports indicated that a frustrated Indian military wanted to force Pakistan's nuclear hand before making a decision on a military solution of the Jammu and Kashmir dispute. A segment of the Indian military doubted whether Pakistan had nuclear capability or was bluffing to create a nuclear deterrence that did not exist. An Indian explosion, they believed, would force Pakistan to come into the open. If Pakistan did not have a nuclear capability, India could consider a military solution of the Kashmir dispute.

Pakistan had not actually put together a device, although it could do so, as a signal to the West of its support to a nonproliferation regime unless its security was threatened. An Indian detonation, our experts believed, would threaten Pakistan's security unless we could create an equilibrium through deterrence.

Pakistan decided to open the option of a test by making the necessary preparations to respond with a nuclear test of its own within 30 days unless the

West showed the will to stop India in its nuclear tracks.

Pakistan also decided that, if it was forced to detonate, it would follow up with a unilateral signing of the international agreements aimed at controlling weapons of mass destruction.

This is surely a nightmare situation for the West. What can the West do? Doling out military and economic assistance can shore up Pakistan's security for a decade. But as Pakistan learned in the aftermath of the Soviet occupation of Afghanistan, not more. Nor can a West that failed to prevent the Indian test guarantee that a weak Indian coalition government rashly seeking popular support would not equally rashly seek a nuclear war in South Asia.

I am not a military expert. But I believe sanctions are not simply enough. Rogue nations that defy world opinion ought to be taught a lesson. If a pre-emptive military strike is possible to neutralize India's nuclear capability, that is the response that is necessary.

The writer is leader of the opposition in Pakistan. She contributed this comment to *Global Viewpoint* (Los Angeles Times Syndicate).

The West Drove India Down the Nuclear Road

By A.M. Rosenthal

NEW YORK — The decision was made by India, and India will pay the economic price. But Americans should understand that it was the West, particularly the United States, that built the policy road leading to the Indian underground explosions.

The utter shock in Washington shows more than an intelligence failure. It shows attitudes about India are the same Western mush of arrogance, ignorance and condescension that they have been for the half century since Indian independence.

Just as plainly it shows the danger of the new ingredient that President Bill Clinton added — the drive to make China the partner of America in the last years of this century and all the next, partnering in trade, technology, honing the capabilities of Chinese armed forces, and in security strategy that will affect all Asia and the Pacific.

Think of yourself as Indian, one of the millions who de-

lightedly approve of the nuclear tests that put such a startled face on Washington.

Look around. Pakistan on the border, created by the 1947 partition, is almost entirely Muslim, about 132 million. India has about 850 million Hindus and 120 million Muslims. India has been basically democratic since independence, and Pakistan basically authoritarian.

Since partition, three wars have been fought between them. Another is possible any time — over India's possession of Muslim Kashmir, or religious massacres in either country, or suspicion so deep they bleed for it.

Both have nuclear-weapon capacity and never submitted to no-testing demands from nuclear powers finished with all the tests they needed.

Washington lectures us: Parity should exist between India and Pakistan. Are we

fools? Parity between our billion and their 132 million, our huge scientific establishment and their puny one, our democracy and their authoritarianism?

We have a larger army, but these Pakistanis fight like hell. We can defeat them in conventional war — if only their ally China does not charge in to help them.

And this is the nerve-racking part — China sells nuclear technology and missile know-how to Pakistan. The United States does not penalize China.

China sliced up our army in 1962 and took a chunk of our Himalayan border land.

China won't give it back. Indian intelligence takes fewer daily naps than American, but are we sure China can never surprise us again and that if it were losing it would never ever use nukes? Our defense minister says China is

our most dangerous opponent. But listen to Mr. Clinton talk of his priority — American democracy and Chinese dictatorship knitting together in trade and security strategy.

What strategy? Was India consulted, even thought about? I lived four years in India as a correspondent. Washington's policy was a little pat on the head, or a scolding finger — and still is.

I wish the tests had not been made. They will burden India's economy — more arms, few foreign loans, less investment, much denunciation.

The nationalist party heading the coalition government runs counter to my hopes for India.

It is xenophobic about foreign investment, has a history of Muslim-baiting and maintains extremist Hindu branches, including one headed by a Bombay nasty who admires Hitler. Indians say that as a member

of a shaky coalition that depends on centrists, the party is more moderate. We shall see.

Certainly, Prime Minister Atal Bihari Vajpayee has domestic political motives — strengthening his party so that he does not wake up thrown out by Parliament. But I think he had more objectives for the tests. Gaining prestige among Third World powers was one. Another was to shout into the American ear: "Look at us, speak to us, we are India."

Is Mr. Clinton wise or brave enough to reconsider his frantic pursuit of China and the money U.S. businesses hope Beijing will pour over them?

Well, at least he can get the shock off his face about Indian independence of action, the mark out of his mind; it's about time.

Ordinary Indians do have hopes and fears about their country. They are not in a silence mood. The head-patting decades are over.

The New York Times.

The Numbers Come Out of a Hat — Israel Needs Guarantees

By Charles Kranthammer

WASHINGTON — When Secretary of State Madeleine Albright and her "peace team" went to London last week to negotiate territorial withdrawals with Prime Minister Benjamin Netanyahu of Israel, the Israelis came to the meetings with maps. The State Department came in with a number.

The Israelis showed which hill here and which ridge there they could safely afford to give up. Added up, it came to 9 percent of the West Bank. The U.S. side said it must be 13.1 percent.

The relation of the latter number to anything in the real world is purely coincidental. It was picked because the Palestinian leader Yasser Arafat

already has 26.9 percent of the territories, and 13.1 would produce a nice round number: 40.0. (And the State Department accuses Mr. Netanyahu of lacking seriousness in these talks.)

But even more significant than the absurd arbitrariness of this number is its very existence. Under the Oslo accords, these interim "further redeployments" are left to Israel's discretion, unlike the "final status" talks at which Israel and the Palestinians will together negotiate their final borders.

Indeed, just 16 months ago the Clinton administration reaffirmed this principle. At 11 P.M.

on Jan. 15, 1997, as Mr. Netanyahu's cabinet was agonizing over the proposed withdrawal from Hebron, it received an urgent memo from the U.S. ambassador to Israel, Martin Indyk, stating the official U.S. position that "further redeployment phases are issues for implementation by Israel rather than issues for negotiation with the Palestinians. The letters of assurance which Secretary Christopher intends to provide to both parties also refer to the process of further redeployments as an Israeli responsibility."

Sixteen months later in London, Mrs. Albright tells Israel

that its 9 percent is no good. The withdrawal must be 13.1 percent — or else she walks away. She gives Mr. Netanyahu three days to give his answer. He tells her: "I don't need three days. The answer is no."

So now we have a crisis. And though it was manufactured by the State Department to put pressure on Mr. Netanyahu, it reveals instead a crisis of credibility for the Clinton administration: How can Israel make ever-more dangerous concessions to the Palestinians when the American assurances it receives to offset those concessions are so perishable?

In Washington, Mrs. Albright gave a hastily arranged speech to explain her position. Its essential, tendentious theme was that all of the problems in the peace process are traceable to Mr. Netanyahu. Everything has gone to pieces, she averred, "in just two years." You don't need to be a CIA code-breaker to understand what that means: Mr. Netanyahu was elected two years ago.

The historic Hebron withdrawal in which Mr. Netanyahu single-handedly brought Likud and the Israeli right into the land-for-peace Oslo process received nary a word. That is because the only praise offered in her speech was reserved for Mr. Arafat.

Mrs. Albright credits him for making "substantial changes in (his) negotiating position." He had wanted a 30 percent Israeli withdrawal but was willing to accept 13.1. But the U.S. po-

sition is that under the Oslo accords Mr. Arafat has no say one way or the other in the size of these withdrawals. He picked 30 percent out of a hat. It appears nowhere anywhere. He could have picked 60 percent.

But Mrs. Albright did not just praise Mr. Arafat for changing his negotiating position on an issue that Washington has declared is not his to negotiate. She also studiously omitted any reference to the solemn commitments that Mr. Arafat made in previous negotiations and has systematically violated. He has not changed the Palestinian charter calling for Israel's destruction; he has refused to extradite terrorists; he has built an army more than twice the size that Oslo permits; his Palestinian Authority conducts a vile media campaign of anti-Semitic and anti-Israel incitement. The list is long. On all these, utter silence.

However this crisis ends, Israel needs a U.S. assurance that after this, it will not be browbeaten yet again over yet another interim redeployment — that this 9 or 11 or 13 percent withdrawal is the very last until Israel and the Palestinians determine in "final status" talks the permanent frontier between them.

The assurance is needed. But the question remains: Are the assurances this administration gives as Israel is in life-and-death negotiations worth the paper they are written on?

Washington Post Writers Group

Balancing Trade and Sea Turtles

By Kathryn S. Fuller

WASHINGTON — A recent ruling by the World Trade Organization striking down U.S. legal protections for endangered sea turtles is a powerful reminder how intertwined trade and environmental policies have become. The ruling is also an indication that the WTO, an institution whose principal mission is free trade, may be the wrong forum for resolving trade-environment conflicts when they arise.

Sea turtles are an internationally protected species, endangered around the world from habitat loss and demand for their decorative shell. They became an international trade issue with the advent of mechanized shrimp trawling, which by 1990 caused more than a 100,000 adult turtles to drown each year in nets — a rate higher than from all other human causes combined.

The loss of these animals, it turned out, was easily prevented. A simple metal grid, called a turtle excluder device, proved effective in keeping turtles from becoming entangled in shrimp nets. Turtle excluders were inexpensive, easy to install and, with design improvements, became standard practice in more than a dozen countries.

The United States began requiring its domestic shrimp industry to use turtle excluders in the late 1980s. When it applied an identical standard to countries selling shrimp in U.S. markets, four Asian countries filed a complaint before the WTO. Malaysia, Thailand, India and Pakistan claimed the requirement deprived them of market access guaranteed under most-favored-nation status.

In a recent dispute ruling, the WTO agreed. It held that conditioning market access on use of turtle excluders constituted an unfair trade practice, despite WTO rules that allow exceptions for protection of animal life and exhaustible natural resources. Absent a successful appeal, the U.S. must reopen its markets to shrimp whose capture kills sea turtles, or risk fines and countervailing duties.

The WTO's decision on sea turtles is the latest in a series of trade rulings that have held squarely against environmental safeguards. Unlike earlier disputes over laws for dolphin-safe tuna and reformulated gasoline, however, there has been no claim here of "green protectionism" or of expensive, impractical solutions being unfairly imposed on developing countries.

To the contrary, turtle excluder devices can be installed for as little as \$100 a boat. The United

States government, moreover, has provided the devices directly through its aid programs, and U.S. corporations that trade in shrimp have offered them free of charge to their suppliers — including those in the four countries that filed the complaint.

Linking market access to use of turtle excluders is an effort to promote market distinctions among goods based on the environmental impacts of their production. Similar rules could, for example, also limit timber imports to sustainably managed sources while barring those from clear-cut rain forests. As environmental harms increasingly are market-driven, and as markets globalize, it is crucial that international trade rules recognize such distinctions.

The WTO's reluctance to do so is rooted in its fear that environmental standards could easily spawn an unmanageable number of new barriers to trade. While this is not an idle concern, it is also true that our trading system must find ways to operate within environmental limits. Striking the right balance will not be easy, but the sea turtle ruling, which seems to discount environmental concerns, has not moved us in the right direction.

The decision underscores the need for basic changes in how trade and environmental conflicts are resolved. Under the current system, the WTO acts as a judge in disputes in which it has a clear institutional bias. The results have been sharply one-sided. Neither the WTO, nor its predecessor, the GATT, has ever upheld a trade restriction based on an environmental concern. Future trade-environment conflicts should be referred to a neutral tribunal.

Absent an impartial tribunal, environmental laws face continued erosion, and the WTO, further loss of credibility. With a view to this risk, the chief trade negotiator for the European Union, Sir Leon Brittan, called recently for a high-level meeting to find more credible ways of balancing trade and environment imperatives. A ministerial trade conference in Geneva that opens Monday presents that opportunity. Governments meeting there should establish an alternative forum, one which will ensure that the benefits of free trade do not come at environmental expense.

The writer is president of World Wildlife Fund in the United States. She contributed this comment to the *International Herald Tribune*.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1898: Japan's Protest

ST. PETERSBURG — The report that the United States, after the brilliant victory over the Spanish fleet at Manila, intend to seize the Philippine Islands, has given umbrage to Japan, which means to protest vigorously against such a measure. The Government of the Mikado has already addressed itself to the Russian Cabinet, from which it seeks countenance in this step. It is believed that not only Russia, but also France and Germany, will decline to allow the United States to occupy these islands.

1923: Bulgaria's Labor

PARIS — [The Herald says in an Editorial:] Bulgaria mobilized her labor three years ago. All Bulgarian subjects were subject to compulsory labor. The Government emphasized the fact that the venture was not communistic. Bulgaria is only

forty-five years a nation, and the people realize the urgent necessity of industrial development. The willingness of the people to solve their national problems by hard work resulted greatly to their advantage. It was an important fact in the provisional reduction by the Allies of Bulgaria's reparation charges.

1948: Arab Attack

TEL AVIV — The newly-declared Jewish State of Israel was invaded today [May 15] from north and south, shelled from the east and bombed and machine-gunned from the air. Haganah, now the Jewish Army, said that Lebanese regular army forces attacked across the border from the north, regular Egyptian forces drove into the Negev in an attack on at least one Jewish settlement and Transjordan's Arab legion was shelling three eastern settlements along the Jordan Valley border.

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May '68

Student Revolt in Paris Lasted Barely a Month, and a Lifetime

By Joseph Fitchett
International Herald Tribune

Suddenly, the world focused on Paris. In modern French history, May '68 is probably the best-known date—perhaps the only one that is recognized around the world. The monthlong student revolt on the Left Bank in Paris during that time fired imaginations everywhere and still does. Its slogans, stenciled on the city's walls, laminated themselves onto minds in a new utopian capital whose rules would be: "It is forbidden to forbid." "Under the paving stones, the beach." "Run, comrades, the old world is catching up with you." Those heady spring days and nights of student power in the streets created an icon in the French specialty of revolution.

The situation of young people there was utterly different from today's mood of economic and social constraints. The economy was booming. Jobs were plentiful that many young people thought it was careerism—a failure of imagination—to get a job. A cure had been found for syphilis, the birth-control pill was available, but the sexual revolution was confined to enclaves of hippies in the United States. For

France, Jean-Luc Godard's movie "Weekend" with its mocking eye on long, immobile lines of traffic and bickering couples was easily read by cinema-literate French youth as a picture of their society's real nature: a world without spontaneity, even in its free time.

Goading many young people was a frustrated, almost guilty feeling of living privileged lives that deprived them of an all-important opportunity: the chance to prove themselves, as other generations had done, in violent political action.

Leftist students, often the offspring of activists in the 1930s, had been weaned on stories of the Popular Front, of power in the streets and finally of World War II exploits by the then-unmolested resistance movement. Most students felt that they were being educated for a society that was replacing political idealism and tragedy with consumer goods; tracts, with comic books and billboards; revolution, with material progress. A generation that felt secure enough, perhaps unconsciously, to afford adventure felt deprived of the thrills of history that had always been considered the birthright of French students. The attention given the young Regis Debray, fighting alongside Cuban revolutionaries until he was cap-

tured by the Peruvian armed forces in 1967, underscored how rare such adventures had become.

As today as other grown-ups, political parties seemed to give ideology a bad name. Even so, utopian theoreticians could count on student response to the broad theme of leftist revolution as an exciting myth that could be modernized. Unknowingly, the world was heading into an epic moment of generational struggle.

IT WAS THE best and the worst of times, as Dickens said of an earlier French Revolution. This time it was global. Across Europe and the United States, protest movements, usually with students in the vanguard, rocked seemingly immutable power structures.

The worst was the violence. The Prague Spring of liberal communism in Czechoslovakia was to die under the tanks of a Soviet invasion in the late summer of 1968. The Vietnam war and, in its own way, the Arab-Israeli war won by Israel less than a year before were felt by many young people to be brutalizing games of power. A Berlin protest against the Shah of Iran resulted in the death of a German student demonstrator. Twice in 1968 Americans reeled

with sickened dread when assassinations cut down two of their best: the black civil rights champion Martin Luther King and then Robert Kennedy, younger brother of the slain President John Kennedy and himself a leading candidate for the presidency.

The best was the idealism. Terrorism was not yet current, even though some young French leftists had worked clandestinely for the recently victorious Algerian revolution. In most countries, the student revolts blew through their nations without death. Often the trouble was confined to campus sit-ins, as it was initially in places as different as Rome, Mexico City and New York City, where the first confrontation of all saw the Students for a Democratic Society seize buildings at Columbia University in April. That event passed almost unnoticed in France.

But there are hidden global tides in revolutions just as in economics, and young people in most industrial countries were boiling beneath the surface. The postwar order was cracking, in both blocs, as shown by the Prague Spring and the freedom riders in the United States.

France was at peace. Nuclear terrors had abated since the Cuban missile crisis five years earlier. Sensing that the

end of an era was near, French students chafed at the rule of old men. De Gaulle himself acknowledged afterward that he was so old, so tired that he felt himself becoming a second Petain in terms of political overcautiousness.

POLITICS, particularly the incendiary sort that has periodically sent flames into the sky, took on more importance because there was so little entertainment. After years of a single television channel, France was finally getting a second one, but both were run by a stuffy state monopoly and staffed by state employees with no protection against government interference. There were few drugs, and no pop music to speak of. Organizing a foreign trip involved tedious formalities—and was too expensive for most people. Book and press censorship was active. French students were a revolution waiting for a cause.

"France is bored," Le Monde commented in March, discussing how easily the country had fallen into the routine of steady economic growth.

Boredom bred explosion and overnight the country collapsed into near-anarchy when the students' revolt in Paris fused with frustrations among

industrial workers that the fruits of the economic boom were not being shared faster.

"France Approaches Paralysis; De Gaulle Weighing Reshuffle" headlined the International Herald Tribune on May 21. Industry was strikebound, the paper noted dutifully, saving its relish for the plight of Parisians. The city gradually slipped into an eerie quiet as gasoline ran out because of strikes by delivery trucks and by power workers, which paralyzed gas stations' electric pumps—and hoarding.

"Long distance phone calls were not taken," the paper reported, because in those days an operator at the state-run PTT was needed for an international call. The operators were on strike, too.

In the sunny days and warm spring nights, Paris seemed to revert to a more bucolic era. Dogs started to live in the streets, well fed as uncollected garbage mounted in piles higher than a man's head.

Those husbands who could sent their wives out of the country, just beating an airline strike and wearing several layers of fur coats and bracelets up to their elbows. The French, it seemed, were taking an early vacation and posing a notice: "Closed for revolutionary experiment."

PARIS, TUESDAY MAY 21, 1968

Unions Say 6 Million Strike

France Approaches Paralysis; De Gaulle Weighing Reshuffle

Ministers Consulted On Crisis

By Ronald Koven

PARIS, May 20.—Underlying the French labor crisis, President Charles de Gaulle today started consulting his ministers one by one to deal with the current turmoil.

Their answers could determine whether they survive a sweeping cabinet reshuffle which reliable sources say Gen. de Gaulle is seriously considering.

The purpose would be to present a new, more liberal face of the regime to the strike-paralyzed country as part of a package to restore calm.

For Gen. de Gaulle, the problem with the strike is to find a formula so that it does not appear as a surrender to the strikers. Gen. de Gaulle dislikes nothing so much as appearing to bow to outside pressure. The sources say the cabinet changes will be much broader and reach much further down inside the government than anything yet spoken of.

There is no question of replacing Prime Minister Georges Pompidou, but a number of sources figure from outside the traditional political world and known for their liberalism and competence are reportedly being actively considered for posts.

The search for new faces is understood to include major cabinet posts. Bernard Tricot, the Secretary-General of the Presidency, is said to be canvassing high civil servants on their willingness to take jobs.

It was originally thought that Education Minister Alain Peyrefitte was the main and perhaps the only candidate for the post of Secretary-General of the Presidency. But that no longer seems to be the case. Interior Minister Christian Fouchet, who was also said to be in trouble, is said to be safe in his job, however.

The general started with a few ministers today, and in the next few days each of the 26 cabinet members will have been passed in review at the Elysee Palace.

The government's problem remaining to be settled for the reshuffle is to pick a moment and a manner so that it does not appear as a surrender to the strikers, who now represent a third of the labor force of 19 million.

For that reason, it is not certain that Gen. de Gaulle will announce his decision about the reshuffle when he speaks to the nation on Friday. Government sources said he has decided, however, to "shoot the works" in his speech, announcing a broad program of social and university reforms and willingness to talk with the unions, but on the government's own terms.

The government seems genuinely worried that if it goes too much, it will lose its credibility. (Continued on Page 2, Col. 6)



TRANSPORT—With rail service halted, army trucks brought commuters into Paris.

Gold Up to \$42.30; Franc Supported

By John M. Lee

LONDON, May 20 (NYT).—French strikes brought confusion to European financial markets today and helped push the price of gold to another new high of \$42.30 an ounce.

The gold market was active particularly in Zurich, where there was a heavy French demand for gold coins. Foreign exchange dealings were hobbled by erratic communications and by early closings of Paris banks and the Bourse.

There was no firm quotation for the French franc from French banks. Market sources said the Bank of France had intervened in the market at 4.85 francs to the dollar to keep the rate steady.

The foreign exchange dealer of a big American bank in London said: "For a time, we were refusing to buy francs because of the strikes and rumors. It's not that we distrust the currency, but there's the problem of delivery."

The pound moved up from Friday's record low of \$2.3854 to about \$2.3878. Then it weakened to \$2.3853, a new low, and moved up to close at \$2.3861.

Most of the interest centered on the free market for gold, where the price has risen quickly in a week by almost \$3 an ounce. The price last

Monday was \$41.50. The price on Friday was \$42.30.

Some observers thought over the weekend that a temporary gold price ceiling had been reached on Friday when an attempt by dealers to fix the price at \$42 brought out sellers and sent the price down slightly.

However, the French disturbances attracted more buyers into the market today, leading support to the view that the continuing demand for gold

was still strong. The London price was set at \$42.30 this afternoon.

The important question in the gold market is whether the gap between the free market price and the official price of \$35 an ounce widens to the point where belief in the official price (and in the value of the U.S. dollar) is impaired.

Franc Weaker
NEW YORK, May 20 (UPI).—The French franc weakened further on the foreign exchange market here today after continued pressure on the currency in European money centers.

The foreign exchange department of leading New York banks was quoting the franc at a rate of 20.185 cents to the dollar, compared to 20.235 cents on Friday and 20.27 cents two weeks ago.

Money, Gas, Some Foods Are Scarce

By James Goldborough

PARIS, May 20.—France approached paralysis today as the strike movement generalized to embrace several million workers. Only a few fresh links in communication remained with the outside world.

The situation deteriorated rapidly, providing a run on stores and banks, and by the day and there were shortages of money, gas and some foods.

On the eve of parliamentary debate on government censure, the generalization of the protest strike reached what the unions said was six million workers. The strike has touched almost every sector of the economy.

The Paris region, with 16 percent of France's population, was hardest hit. Its intricate machinery of supply, transportation and communication was badly crippled. Motor traffic, the only major form of transportation left, barely moved. It took hours to cross town. During rush hours, motorists took to the sidewalks and created jams there. Gas stations were running out of gas by noon and cars were stalled in long lines.

Trains, the only form of public transportation left today, were to go on strike Wednesday, the day the censure motion is voted. Army trucks were brought in to help transport commuters, but stalled in traffic that often moved slower than pedestrians.

Tourists Stranded
American and British tourists clustered around their embassies for help and money to get home. The strike, which started last week, picked up momentum today as workers returned to plants following the weekend and, in most cases, voted to strike and occupy rather than return to work.

The mining unions struck France's main source of energy. The plant in Clermont-Ferrand. Several of refineries, including the 2,000-man Shell plant near Marseille, closed down. "national Harvester was struck, the huge Sud-Aviation plant at Rochefort was closed; all the major industries, including metallurgy, chemicals, textiles, aeronautics and automaking, were hard hit.

Services at Standstill
The bus, train, post office, telephone, telegraph, Metro and airline services of France remained practically at a standstill. Long-distance phone calls were not taken. Only a few planes landed at Le Bourget airport and none landed at Orly, Bordeaux and Marseilles airports were closed. Airlines around the world were (Continued on Page 2, Col. 7)



MONEY—Many Paris banks temporarily ran out of cash, cut customer transactions.



TRASH REMOVAL—No Paris trash collections since Saturday. This stack near Opera.

Aides of Hanoi And U.S. to See De Gaulle Today

By Joseph B. Treaster

PARIS, May 20.—President Charles de Gaulle will hold separate meetings tomorrow with the heads of the U.S. and North Vietnamese delegations that are meeting here.

U.S. Ambassador Averell Harriman will call on Gen. de Gaulle at the Elysee Palace at 11:30 a.m. and Hanoi's chief negotiator, Xuan Tu, will be received at 5:00 p.m. It was disclosed tonight.

Gen. de Gaulle, in the midst of a grave internal crisis, is not expected to attempt any mediation at this stage. Some diplomats expect him to try to use his influence to move the two sides closer to agreement at a later stage in the discussions.

Marines Kill 109 in Clashes Southeast of Khe Sanh Base

By Joseph B. Treaster

SAIGON, May 20 (NYT).—U.S. Marines killed 109 North Vietnamese yesterday as new fighting broke out near the Khe Sanh outpost in the northwestern corner of South Vietnam, the military command reported today.

In two battles southeast of the outpost, the Marines lost eight dead and 42 wounded, a U.S. military spokesman said.

Both actions were initiated by the North Vietnamese, he said, and showed a renewed aggressiveness on the part of forces that have been quiet in the area for more than a month. The North Vietnamese riflemen first attacked a Marine company bivouacked three miles from the outpost and then ambushed a Marine force that was checking Highway 9 leading to the outpost, for mines and enemy troops.

2 U.S. Envoys Visit London, Brief Stewart on Parley

LONDON, May 20 (AP).—Two U.S. envoys flew from Paris today and gave Foreign Secretary Michael Stewart an update on the conversations between Ambassador Averell Harriman of the United States and Xuan Tu of North Vietnam.

The hour-long exchange of views at the Foreign Office was arranged to bring Mr. Stewart up to date with the Paris parley in advance of his visit to Moscow Wednesday.

Mr. Stewart is flying to Soviet capital to meet Foreign Minister A. Gromyko. The two are co-chairmen of the Indo-Chinese peacekeeping machinery, and they may share a role in convening that might emerge from the Paris talks.

Americans Apprehended

In the first action, a North Vietnamese force of about 150 men attacked the Marine encampment just before 5 a.m. The Marines sprayed the attackers with rifle and machine-gun fire and directed howitzer fire from inside the outpost.

Shortly before daybreak, the North Vietnamese pulled back, leaving behind 43 bodies, 20 rifles, a machine gun and 270 pounds of explosives. Eight Marines were wounded, none killed.

In the other clash, North Vietnamese entrenched in bunkers about 25 yards off Highway 9 ambushed the Americans about two miles southeast of the outpost. Other Marine riflemen and tank crews reinforced the road-clearing unit and the fighting raged for 11 hours. North Vietnamese dead

Punitive Induction Issue

High Court Agrees to Weigh Drafting of War Protesters

WASHINGTON, May 20 (Special).—The Supreme Court today agreed to take up the issue of the punitive induction into the armed forces of Vietnam war protesters.

The issue has been the cause of a running feud between the Justice Department and Gen. Lewis B. Hershey, director of the Selective Service System.

The case involves a theological student who returned his draft card to his local board and was promptly reclassified 1-A and scheduled for induction. The board took the action in response to a



Gen. Lewis B. Hershey

Supreme Court Backs Right

15 Killed in Cairo Trying To See Virgin's Apparition

CAIRO, May 20 (UPI).—Egyptians tonight to defuse a tense atmosphere of religious hysteria over reports of new apparitions by the Virgin Mary.

Fifteen persons were trampled to death yesterday when thousands tried to force their way into the church of Archangel Michael's Church, where the apparitions were said to have taken place.

The Coptic patriarchate pronounced as genuine a series of apparitions by the Virgin which started in a church there April 2. Nothing has been seen for two weeks.

As the excitement mounted, a patriarchate spokesman issued a

MAY '68 / A SPECIAL REPORT

It Was Child's Play to Seize and Barricade the Latin Quarter

THE FIRST surprise was how easy it was for the students to take charge without adult approval: buildings, then streets, finally the Latin Quarter, together with schools and factories across the country. Paris street skirmishing erupted May 3, a Friday and two days after the trade unions' traditional May Day parade. The flash point occurred the following Friday, May 10, the night of the barricades. Students fought riot police for 12 hours in the Rue Gay Lussac and nearly 1,500 people were hurt, a third of them seriously. Of these, 250 were policemen. When the police retreated, the barricades were still there.

Workers' unions, although suspicious of student adventures, felt compelled to call for a general strike. In rapid order, industries and government services halted because student-sparked sit-ins paralyzed offices and factories. By Friday, May 24, the government was on the run and President de Gaulle made things worse with a poor speech that was a barely disguised attempt to launch a presidential plebiscite, a traditional tactic for French leaders. This time it backfired.

"Paris Explodes Into the Worst Violence Yet," said the headline above a report that student power had broken the will of the police. It had taken only three weeks for a passage to the new commune of Paris — the moment of liberation, political and personal, at the heart of the enduring mystique of May '68.

It was so easy partly because the

students were prepared. Revolution was the basic French tool of social change, the students believed, the only way for popular resistance to overturn oppression. Organizing cells and daily political guidance, mimeographing tracts and pasting up posters — these drills were second nature to many students. Leftists had relegated women to the "rank and file cabinets," in a famous phrase of the time. But that role did not keep this generation — which had not yet signed on for the first wave of women's liberation — from flocking unquestioningly to a street war that justified battlefield romance.

This generation enjoyed special advantages. A slightly older group of radicals in Strasbourg, known as the Situationists, had studied the conditions for a postmodern revolution that would seize power by outwitting the authorities, not by force of arms in the Leninist way. The goal for society became "autonomy," in other words, total liberation from old hierarchical organization in a society humanly mature and technologically sophisticated enough for people to handle their own actions responsibly. Class struggle existed only for those too dumb to understand the new world, and the new revolution needed no vanguard party to enforce discipline and dictatorship. Instead of the classic system of marshals to keep order in demonstrations, leaders used bullhorns to say, "You are in charge of yourselves; let no one prevent you from doing that."

Much of the originality of the May revolt — the emphasis on self-criticism to achieve authenticity, the idea that revolution and daily life should be strongly guided by a sense of fun and play, the slogans that politicized even daily actions — seemed at first to be spontaneous, part of the genius of revolution. In fact, these formulas had been brilliantly honed in advance by the Situationists, who then fed them into the unfolding mass psychodrama. Certainly they helped animate and punctuate the revolutionary days on the Left Bank. Artistic collectives, including the liberated Ecole des Beaux Arts hard by the Seine, churned out witty graphics. Some designated targets: "State radio thinks for you" was a cue to march on broadcasting headquarters. Some broadcasted morale: A poster showed de Gaulle's head and the words "With me, the deluge."

ANOTHER SPECIAL advantage was the existence of Nanterre University, an unfinished institution on the western edge of Paris. It had a young, leftist and activist faculty teaching both working-class students and many from a posh Paris neighborhood who, by an accident of geography, were assigned to Nanterre. Their social backgrounds gave these students enough poise to be comfortable as they defied their elders. Their inspiring leader was a 22-year-old graduate student, a red-haired German Jew, Daniel Cohn-Bendit. Not just a

gifted revolutionary strategist and organizer, he was also a great debater who quickly emerged as the main spokesman of students when they took over the Sorbonne, the venerable main building of the University of Paris in the Latin Quarter.

It was easy because the older French deferred so fast to youth. The philosopher Jean-Paul Sartre performed self-criticism in the Sorbonne in front of shouting students like a mandarin dragged before Mao's Cultural Revolution, which was also then at fever pitch. The renowned actor Jean-Louis Barrault, his Odéon Theater occupied by students, embraced the revolution, declaring that "Barrault is dead."

With this setting, the students knew their parts instinctively. "The new citizens are ranged up the walls of the amphitheaters night and day like their forebears on the revolutionary tribunals during the Reign of Terror," wrote the Herald Tribune's reporter, accurately catching the way in which the students, while breaking political ground, often felt more comfortable taking over roles from the French Revolution.

Even the streets of the Left Bank resembled the familiar painted images of revolutionary Paris in 1848 and during the Commune in 1871. At the corners of narrow, twisting Latin Quarter thoroughfares, stop signs could be snapped off — satisfyingly symbolic work — and used as levers to pry up iron grates and the cobblestones of the streets. Every evening brought the clicking sound of these stones being

chucked together to build breast-high barricades, slippery for the charging police to climb, especially under a hail of ball-bearings. Eventually, there was enough rubble, including charred cars, to block the Boulevard Saint-Germain.

The students rarely ventured successfully outside the Latin Quarter. In more modern parts of the city, Baron Haussmann, the urban planner of Napoleon III, had made the streets too wide to barricade easily and had spread asphalt over the paving stones.

IT HARDLY mattered because the students could reach the world with new technology. Transistor radios, carried in pockets and handbags, ushered in the age of continuous broadcasts of live news coverage. The impact on the student revolt was tangible. A legal loophole allowed semiprivate radio stations such as Europe No. 1 to gather information in a Paris street, relay the transmission to its legal domicile in, say, Luxembourg, and from there broadcast it to listeners in Paris. The government's radio monopoly had been overtaken so fast that officials did not comprehend the change. As they negotiated with Cohn-Bendit, their stiff rhetoric and his cheeky defiance were heard all over the world. Nor did they realize that radio accounts of police movements were being used by students to figure out which areas were free for barricades.

The nightly ritual lasted for nearly a month, with a rhythm that captured an international audience. Chanting defi-

ance, the students would hold out for hours, with white zinc-oxide paste smeared under their eyes to resist the tear gas that was occasionally fired from police lines with a loud pop. When club-swinging policemen charged, the students would finally scatter, shouting defiance. The students saw themselves revolting against a stifling occupation, the old-fashioned social and economic system of France. Their charm was that to become a revolutionary you had only to say you were. Students fleeing from police sweeps entered apartment buildings (concierges no longer bothered to lock the outer doors) and pounded on doors, pleading to be let in. Often they were hidden by middle-class couples who, instead of being horrified, wanted to talk about this utopia on offer.

Foreigners flocked to the movement. Many were radicalized by the police, who were quick to club any foreigner they grabbed in the street and often to deport him. In contrast, the students welcomed newcomers from anywhere to the vanguard of the movement. Cohn-Bendit, arrested and deported, slipped back into France, unmistakable even with his hair dyed black, to a welcoming chorus of "We are all German Jews."

This openness toward outsiders was part of the students' idealism, their disdain for Leninist conspiracy and paranoia. As far as the students were concerned, this was not a revolution to change the class system someday. This was a revolution to change life now.

— JOSEPH FITCHETT

PARIS, SATURDAY - SUNDAY MAY 25 - 26, 1968

Paris Explodes Into the Worst Violence Yet Following Plea by De Gaulle on Referendum



RIOT CASUALTY—After being beaten by riot police, a demonstrator is hauled away.

Barricades Set Up in Other Cities

By James Goldborough
PARIS, Saturday, May 25.—The young people of Paris brutally rejected President Charles de Gaulle's offer last night and began to destroy parts of the city in the worst outbreak of violence yet. Throughout France, other youths, students, workers and farmers were holding protest demonstrations and marches—some peaceful, others ending, as in Paris, in sharp, bloody fighting.

The Paris demonstrators rejected the President's offer of an overhaul of the university system and sent unruly mobs rampaging through French streets.

Even the student leaders, who had called yesterday's demonstration, admitted the situation was hopeless this morning. It was mob rule by the thousands, and as police stood on the periphery of the Latin Quarter and looked on powerlessly, the mob tore up the streets, felled trees, erected barricades and began to set them on fire.

Only the fire trucks that were allowed to pass kept the flames from engulfing buildings and stores. By early this morning the devastation of the Rue Gay-Lussac two weeks ago had been visited to the main thoroughfares of the district.

No one could say at what point the student demonstration of yesterday had become the mob destruction of today. It came slowly, but it grew and by the early morning hours, there was little semblance of the student order that prevailed even during the worst of the earlier riots.

Avoid Charges
Through it all the police stayed back to avoid the fires charges that would have trapped the thousands of demonstrators and onlookers underfoot.

The question in the Latin Quarter was—when will they charge? In rioting Thursday night and yesterday morning it was the fires and the barricades that eventually brought the police charges, but the rioting had been so intense that it seemed unlikely that the police would be able to move in.

It appeared to be a calculated risk: Better to let them destroy parts of the city than have the rioting continue night after night with the demonstrators charging police hardly more than wooden hurdles compared to what they built this

FOR nearly thirty years, events have imposed upon me . . . the duty of making our country assume its own destiny. . . . I am ready again this time, but this time again, and above all this time, I need—yes, I need—the French people to say that they want it.



Says He Will Quit Office If He Loses

By Ronald Koven
PARIS, May 24.—President Charles de Gaulle today offered France a choice between himself and the Communist party in a referendum on "a mandate for renovation."

In a long-awaited address to the nation, Gen. de Gaulle said he would resign if the majority of the French people answered no.

He stressed, however, that a majority of noes could mean "civil war," and "the most odious and the most ruinous adventures and usurpations."

It was clear that he was talking about the Communists when he said that for 30 years he had taken in hand the destiny of France "to prevent certain people from taking it over against its will."

Despite a vigorous, self-controlled and theatrical delivery, his self-assurance seemed to be missing. For perhaps the first time, he gave the impression that he was unsure that his call would be heard.

Aware of Crisis
Although he blamed the origin of the troubles almost exclusively on the "impotence" of those who run French universities, he did show French universities, he said, the full extent of the national crisis France faces. France is "on the brink of paralysis" caused by a tide of disorders, surrenders or work stoppages. All of these things, he said, are "a mutation of our society." The "mutation" he offered was "a broader participation by everyone in the working and the outcome of the activity in which he is directly involved."

This plan to alter the "narrow and obsolete structures" of French society "wherever necessary" will be to a vote in June, he said.

For the immediate future, he said, the government is prepared to make the contacts necessary for the country's life to resume. Prime Minister Georges Pompidou announced earlier in the day that he is ready to meet the main labor unions and the Patronat, the national organization of big French business, in a round table tomorrow to turn the public against the

striking streets and only (Continued on Page 3, Col. 4)

(Continued on Page 3, Col. 2)

Gen. de Gaulle's Address

EVERYONE obviously understands the significance of current events—university events and then social events. One can see in them all the signs which demonstrate the necessity of a mutation in our society, a mutation which must involve the broader participation by everyone in the working and the outcome of the activity in which he is directly involved.

Of course in the disturbed situation of today, the first duty of the state must be to insure, in spite of everything, the elementary life of the country as well as public order. This is being done. Its duty is also to help a return to order by making the contacts which can facilitate this. It is ready. So much for the present.

But then, there are without any doubt structures to be modified. In other words, there are reforms to be made, for in the immense political, economic and social transformation which France is accomplishing in our time. Even if many internal and external obstacles have already been overcome, there are still others barring the way to progress.

Profound troubles come from this, particularly among the youth who are concerned with their own role and whom, too often, the future worries.

That is why the university crisis, a crisis provoked by the impotence of this great body to adapt to the modern necessities of the nation and at the same time to the role and the employment of the young, unleashed by contagion in many other areas a tide of disorders, surrenders, or work stoppages.

The result is that our country finds itself on the brink of paralysis. Before ourselves and before the world, it is a question for us, Frenchmen, to settle an essential problem which our era poses unless we are to tumble down, through civil war, into the most odious and most ruinous adventures and usurpations.

For almost 30 years now, events have imposed on me, on several grave occasions, the duty of making our country assume its own

destiny in order to prevent certain people taking it over against its will. I am ready again this time, but this time again, and above all this time, I need, yes, I need, the French people to say that they want it.

AND indeed our constitution wisely foresees the way in which they can do so. It is the most direct and democratic way possible, that of the referendum.

Taking into account the very exceptional situation in which we are now, I have therefore decided, on the cabinet's proposal, to submit to national suffrage a draft law by which I shall ask the people to give the state, and in the first place its chief, a mandate for renewal.

Renewal the university, not by following its centuries-old traditions but according to the real needs of the country's evolution and the effective outlets in a modern society for young students.

Adapt our economy, not to this or that category of particular interests but to the national and international necessities of present times, in improving the living and working conditions of the state of public services and private business, in organizing their participation in professional responsibilities, in developing the training of the young, in ensuring their employment, in putting into action industrial and agricultural activities within the framework of our regions—such is the aim which the whole nation must set itself.

Frenchmen, Frenchwomen, in the month of June you will be called upon to express your opinion in a vote. In the case of your answer being "no," it goes without saying that I would no longer stay in office. If you express your confidence in me by a massive "yes," I shall undertake with the authorities and I hope the contribution of all those who want to serve the common interest, to make changes wherever necessary in the narrow and obsolete structures and to open the way more widely to the new blood of France.

Long live the republic! Long live France!

The students were still there, but dozens of fires broke out and were breaking streets and only (Continued on Page 3, Col. 4)

(Continued on Page 3, Col. 2)

Army Games Of Reds Set On Czech Soil

By Tad Szulc

PRAGUE, May 24 (NYT)—The armed forces of the Warsaw Pact alliance will hold "joint command staff exercises" on Czechoslovak and Polish territories next month, Czechoslovakia announced tonight.

The statement, distributed by the Czech news agency, said the exercises would be under the command of Soviet Marshal Ivan I. Yakubovskiy, commander in chief of the Warsaw Pact forces, which is the military alliance of the Communist states.

While Czechoslovak Defense Minister Gen. Martin Dzur had announced last May 4 that Warsaw Pact "staff exercises" would be held in Czechoslovakia later this year, tonight's statement that the maneuvers would begin within a few weeks seemed to indicate a concession on the part of the Prague government from Soviet pressures.

Czechoslovakia had successfully resisted proposals from Moscow and its Communist neighbors to allow the stationing of 11,000 Soviet "special forces" in western Bohemia and to agree to the creation of a

(Continued on Page 2, Col. 6)

Hanoi Joins Paris Delegate In Dual Assault Against U.S.

By Stanley Karnow

PARIS, May 24 (UPI)—North Vietnam escalated its rhetorical offensive against the United States today, coupling a propaganda assault from Hanoi with a broadside from the Communist envoys here against Ambassador Averell Harriman's delegation.

The Paris attack unleashed at a press conference this afternoon by the Communist spokesman, Nguyen Thanh Le, accused the American officials of "speaking abundantly of peace" as Washington intensifies the war in North and South Vietnam.

At the same time, in an editorial monitored here today, Hanoi's official daily "Nhan Dan" warned that the United States would "bear full responsibility" if it continues "to remain obdurate and hinder progress" in the Paris talks.

But neither the statements issued here or in Hanoi threatened a break in the current negotiations should the United States refuse to cease "unconditionally and immediately" its bombing of North Vietnam.

On the contrary, the Communist spokesman here sidestepped a reporter's question asking if the North Vietnamese would "certainly

break off the talks if their demands are ignored. In his reply, the spokesman repeated his familiar line that Washington would be to blame for a failure.

The increased Communist verbiage appeared to reinforce the view among analysts that Hanoi is purposely moving slowly in the expectation that the military and political situation in South Vietnam, as well as the American election campaign, may develop in its favor.

Informal sources indicate that the Communists have been building up their forces in the highlands and northernmost provinces of South Vietnam while spearheading attacks on the cities of Saigon and Hue.

Ranking members of the American delegation assert that the flow of Communist troops and supplies into the South has been "very heavy" since March 31, when President Johnson ordered a limit on the bombing of North Vietnam.

Specialists here also submit that the Communists, in addition to efforts to improve their military position, are probably tailoring their diplomatic tactics to the evolution of the American political campaign.

One source familiar with them suggests that Hanoi may await the outcome of the Democratic and Republican conventions before making a major diplomatic gesture.

In the opinion of this source, the Communists would rather negotiate with Mr. Johnson than Vice-President Humphrey or Richard Nixon, but might prefer to wait until January if Sen. Robert F. Kennedy and Gov. Nelson Rockefeller win the nomination.

Apparently in no hurry, therefore, the North Vietnamese are thought to be prepared to keep marking time in Paris, heaving to their assistance on an unconditional U.S. bombing halt while biding their time and waiting for the outcome of the Johnson administration.

First Riot Death: A Lyons Police Commissioner

LYONS, Saturday, May 25 (Special).—The first death in the current French rioting occurred here early today when a police commissioner was crushed by a truck released by demonstrators.

The commissioner, identified only as Mr. Lacroix, was knocked down by the truck, loaded down with paving stones which the demonstrators had ripped up from the street to build barricades.

The demonstrators edged the heavy truck from behind a barricade and pushed it toward the police.

Earlier in the evening another police commissioner, Mr. Trojau, had his skull fractured by a flying paving stone when he was struck by a truck.

Commissioner Trojau was taken to the hospital in grave condition.

Leaders of the French student unions here told municipal authorities that they could not control the demonstrations and that the leaders of the fighting were unknown to them.

The number of injured in the Lyons fighting was estimated at about 100. All the ambulances in the area were pressed into service.



IN FRANCE BRIEFLY—Daniel Cohn-Bendit, student leader banished from France, sits on desk in French border post in Forbach after coming into country from Germany. He was quickly returned to Bonn authorities.

Cohn-Bendit Enters France, But Is Sent Back to Germany

By Hans Stueck

SAARBRUECKEN, West Germany, May 24 (NYT)—Waving red flags and shouting "Down with de Gaulle" about 800 West German leftist students escorted militant French student leader Daniel Cohn-Bendit to the French border here today to probe the seriousness of the French government's expulsion order against him.

There were more onlookers than students when Mr. Cohn-Bendit and nine fellow students were let through a West German police cordon, to talk to French border police at the "Goldene Bremm" frontier post about three miles from Saarbruecken.

Mr. Cohn-Bendit, nicknamed Danny the Red, was allowed to enter France but only a few miles to Forbach to obtain from the Prefect of the Moselle Department the order against his entry. Contrary to a previous comment, only two of his friends were permitted to accompany him to the French border town.

"Espel Fouche!" Mr. Cohn-Bendit returned to the West German side of the border in a French police car after an hour and told his cheering friends that he had refused to sign the expulsion order against him.

Mr. Cohn-Bendit, 22, who has West German nationality, though he lived most of his life in France, reported he had been "well received" by the French official, the whom he told that "I reject both



SAIGON AID—Calls for talks with Viet Cong.

SAIGON, May 24 (UPI)—U.S. Marines caught 1,000 North Vietnamese crossing into South Vietnam and killed at least 100 of them in a bloody battle, U.S. spokesmen said today. But a few miles away a single enemy rocket was disclosed to have wrecked

to the 1st Cavalry helicopter pad. The main ammunition dump went up with a roar that could be heard at Phu Bo, five miles to the south-east. Military sources said more than 100 helicopters, most of them Huey gunships and troop-carrying choppers, were damaged. Thirty had to be sent back to the United States.

Apparently in no hurry, therefore, the North Vietnamese are thought to be prepared to keep marking time in Paris, heaving to their assistance on an unconditional U.S. bombing halt while biding their time and waiting for the outcome of the Johnson administration.

In the opinion of this source, the Communists would rather negotiate with Mr. Johnson than Vice-President Humphrey or Richard Nixon, but might prefer to wait until January if Sen. Robert F. Kennedy and Gov. Nelson Rockefeller win the nomination.

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backgrounds or their own, and printing banners for days and making other preparations for a "spontaneous" show of support for the government. The general's speech left the students indifferent since they were convinced that the army would split if ordered to fire on French civilians. De Gaulle also had his own organized units of strikers and street fighters, left over from the Algerian war, but they were not needed this time.

The turnout on the Champs-Élysées, probably a million pro-government marchers, crystallized a new national mood. Trade union leaders got word that the rank and file were ready to accept the wage deal and get back to the job. Gaullism was saved.

In the Socialist opposition, Pierre-Mendes-France, the grand old man of the non-Communist left, was so concerned about the risk of civil war that he hesitated, thus losing out to François Mitterrand, whom the students saw as a political adventurer trying to complete his shift from conservative to leftist.

On June 3, the Monday after his supporters' massive turnout, de Gaulle claimed victory — prematurely, but rightly.

—JOSEPH FITCHETT

Stable France

have a serious effect on France but the entire world," he said.

Mr. Johnson's guarded views on the French domestic crisis reflect his own long-standing orders that to U. S. officials engage in public testimony with or criticism of the French leaders.

"We didn't grumble publicly about De Gaulle when he was riding high," said a "qualified informant," "and we're not going to grumble him now when he has his hands full."

The news was widespread surprise, in official circles here, at Gen. de Gaulle's decision to remain in the presidency, to retain Premier Georges Pompidou as chief of government and to call for national elections.

This sudden and dramatic decision to stay, combined with reports that his cabinet officials were demonstrating a tough new confidence, was being taken here as proof that Gen. de Gaulle had won the day and recovered from the leaders of his armed and security forces proof of loyalty and continuing obedience.

...attempts by local authorities to clear the plant of picket-clear the plants of strikers and the work are planned, the strikes against the Telecommunications Center and Yves Guena issued a call for non-striking postal workers to wear picket lines and to have their chiefs ask police to clear the offices of strikers.

Many units were seen maneuvering with tanks and other weapons in the outskirts of Paris in what the officers admitted was a show force.

Workers were reliably suggested to the mystery of Gen. de Gaulle's return to Paris when he appeared for seven hours after he informed that he was on his way to his country home as the President of the Republic.

He reportedly went to consult top generals to ask if they could stick with him and to meet the answer because of the generals' revolt against him in Algeria and the bitterness that continued on Page 2, Col. 6)

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1. The first group of students (Group 1) was assigned to read the text and identify the main idea of the passage. They were then asked to write a short paragraph summarizing the text in their own words.

MAY '68 / A SPECIAL REPORT

In the End, a Triumph of Idealism but Not Much Changed

THE POLITICAL unspooling halted abruptly. When the "Police Clean Out the Sorbonne," as the Herald Tribune reported the event, it seemed little more than a spring chore that had been put off for a summer Sunday. Conservatives won an artificially overwhelming parliamentary election; the ballot box was so anti-climactic that young voters stayed away.

The political aftermath can be easily telescoped. At a deliberate pace, de Gaulle contrived an exit for himself, leaving the nation in the hands of a badly shaken Georges Pompidou. (The specter of authority's collapse and the corresponding need for government readiness to compromise also marked his youngest May lieutenant, notably Edouard Balladur, later to be prime minister, and Jacques Chirac, today the president.) Francois Mitterrand set about merging the disappointed youthful left of May and the old Socialist apparatus, a combination that ultimately brought the presidency to the left for the first time.

The students scattered, with the hard-line Maoists infiltrating farms and fac-

tories. A near-bankrupt watch company, Lipp, was taken over by employees who tried autogestion economics, but work-management only prolonged the corporate agony.

Most students moved on to other revolutions: the Palestinian cause, women's liberation, pop culture. They resurfaced for anniversaries.

In 1978, a sullen decade had left little to celebrate beyond the fact that France had largely escaped the terrorism that plagued Italy and West Germany. The May events, according to Liberation, the paper they spawned, demonstrated French willingness to give revolution a chance and amounted to a safety valve.

In 1988, overlapping the 20th anniversary of the French Revolution, the French were tempted to proclaim the soft landing of history into a permanent balance of left and right. President Mitterrand was about to be re-elected, proving that the left had been integrated into the political system.

Unhappily, the upheaval of economic globalization that would prove uncomfortably challenging for France as a nation, particularly because the new problems of technology and

competition seemed intractable to the limited political remedies that French governments were willing to try.

In 1998, that merry month of May so long ago is subject to a new revisionism. Today's radicals toy with the conspiracy theory of a CIA campaign to oust de Gaulle, removing a thorn from the side of Washington and, in the longer run, speeding the liberalization of French society and the breakdown of the state needed to clear the way for globalization. Leaving out the CIA, whose involvement is unsubstantiated by any public evidence, French magazines have waxed ironic on the globalization theme, savoring the paradox that the May 1968 leftists may have made France safe for free markets and other international causes cherished by American conservatives.

THIS VIEW has a kernel of truth. May '68 did introduce a wave of cultural liberalism in the country that continues to expand, immeasurably accelerating the rate at which younger French people have shunned the intense national parochialism of previous generations. The generation of '68 also

broke with the past in forging the new model of impatient, self-confident young person who has no hesitation in brushing aside conventional ways of doing things and creating new approaches from the first French cost-busting vacation-charter airline to Medecins Sans Frontieres, the voluntary organization of young physicians who defied political frontiers to take care wherever people needed it. Similarly, militants in 1968 such as the author Andre Glucksmann spearheaded the repudiation of Marxist dogma and Soviet totalitarianism that helped modernize France's intellectual landscape in the 1980s.

This kaleidoscope of images about 1968 and its significance highlights a major feature of the May revolution's nature, its protean capacity to mean different things, its defiant refusal to fit a simple explanation, the inability of anyone to seize and package the luminous moment when so many people seemed to glimpse and touch utopia. Partly because they believe so much in the value of the state, partly because they think so often of change in the form of revolution, the French can always find in the student revolt that May a

unique moment when the nation's cherished past fused with the constant hope for a less-burdened future.

CHARACTERISTICALLY, the one rethinking of 1968 that has never occurred in France is the condemnation that became so strong in the United States in the 1980s. Neoconservative movements, often led by converted radicals, have blamed the hedonism of young people involved in 1960s radicalism for subverting their ostensible purposes of social reform. Indeed, U.S. conservatives blame 1960s activists for contributing to a moral breakdown in the nation that has not been reversed.

No such defensiveness is detectable in France. Its intellectuals generally conclude that the upheaval was the last spasm of Marxism or any other revolutionary myth capable of inspiring utopian hopes for a whole generation. But the intellectuals do not concede that this apotheosis of individualism was a mistake. That helps explain why it remains such a powerful symbol in French history.

The worse damage done by May '68 was probably the government's tactics

of buying out social unrest, and on a massive scale. The wage increases worked, but they reinforced the French economy's cycle of inflation and devaluation that discouraged investment. Almost as a direct result, Paris embraced a policy in the mid-1970s in which the franc was pinned to the Deutsche mark. That has helped modernize the French economy, but at the price of embracing Germany's more conservative economic culture. At the same time, French governments still tend to buy social change rather than confront unions, apparently because officials still recall May '68 as a terrifying moment.

Is it really so that 1968 is history, with no future? There are grounds for doubt. If it is so elusive, so resistant to a simple explanation even now, it is perhaps because May '68 was the first revolution that was completely about the moment, about modern generations' ability to make revolution when most people—the grown-ups—were not really thinking or worrying about it. That new spontaneity, together with the extraordinary idealism of the student movement, has at least kept the door of history ajar.

—JOSEPH FITCHETT

PARIS, MONDAY JUNE 17, 1968



DWINDLING CLAN—Former U.S. Ambassador Joseph P. Kennedy, 79, who is partly paralyzed, and Sen. Edward M. Kennedy, sit with Mrs. Rose Kennedy beside the Kennedy casket at Hyannis Port, Mass., on Saturday

On Robert's Death

Kennedys Thank the Nation For Sympathy It Offered

HYANNIS PORT, Mass., June 16 (UPI)—The brother and mother of Sen. Robert F. Kennedy thanked the nation yesterday for its sympathy and pledged to "carry out the principles for which Bobby stood."

In a statement taped for television on the front lawn of the home of former Ambassador Joseph P. Kennedy, Sen. Edward M. Kennedy said his brother's campaign colleagues "will have to decide in a private way" what to do in the future. "I know we shall choose wisely," he said.

The senator, who spoke first, said he hoped the "counselling" of his brother's death would be a "private way" to realize the strength and the hope that they have given to the members of the family during these last several days.

Elder Kennedy Moved

Joseph Kennedy, 79-year-old former Ambassador to the Court of St. James's, sat in a wheelchair beside his wife and only surviving son, 36. The elder Kennedy, who suffered a stroke six and a half years ago, was visibly moved as his wife and son read their statements. Mrs. Kennedy's voice quavered several times as she read her statement.

Watching the taping out of camera range were several relatives, including Mrs. John F. Kennedy. No newsmen were permitted to watch the taping.

In his statement, Sen. Kennedy said in part:

"This has not been the first tragedy that has afflicted my family and we pray that it is the last. But in each instance, in spite of a world of cruelty, we have been much more impressed with

the compassion and the love and the warmth of the human heart than we have ever any other emotion."

"We are deeply indebted to President Johnson and Mrs. Johnson for their words as well as their actions, to the Vice-President of the United States for his assistance, and we have been comforted by His Holiness Pope Paul, the Secretary General of the United Nations and other heads of state and many political leaders."

"But most of all, it has been the people, the people themselves, with outstretched hands of sympathy (Continued on Page 2, Col. 7)

Conviction of Spock, 3 Others Raises New Legal Problems

BOSTON, June 16 (UPI)—The conviction of Dr. Benjamin Spock and three other prominent critics of the Vietnam war is considered certain to create more legal problems than it settled.

The reason, in the opinion of the competent legal observers here, is the lack of judicial impartiality some saw in the judge's charge to the all-male jury, which then took seven hours to reach a decision.

The verdict of "guilty" brought in Friday night against the noted baby doctor and three of his four former defendants faces them with a maximum penalty of five years in jail and a \$10,000 fine. The fifth defendant, Marcus Raskin, of Washington, was acquitted. Conviction of the four on a

A Split in Gun Lobby

Three Top Arms Makers Back Ban on Sale of Rifles by Mail

By John W. Finney

WASHINGTON, June 16 (UPI)—A split developed yesterday in the ranks of the gun lobby as three leading gun manufacturers came out in favor of a compromise version of the administration's gun control bill.

The three companies—Remington-Winchester and Savage—announced that they supported legislation banning the interstate mail order sales of rifles and shotguns, as proposed by the administration. But the manufacturers suggested that the administration approach be modified to give individual states the

right to exempt themselves from the prohibition on mail order sales. Their position, modifying their past opposition to administration gun control proposals, was given in a statement issued jointly by R. H. Coleman, president and general manager of Remington Arms Co. Inc., Charles L. Duboussin, president of Savage Arms Division of Smith Corp., and William L. Wallace, vice-president of Olin Mathieson Chemical Corp. and general manager of its Winchester-Western Division.

The three companies announced that two other gun manufacturers—O. F. Mosberg and Sons Inc. and Ithaca Gun Co.—supported their position.

While qualified, the support of the nation's three leading manufacturers of sporting arms was regarded in the administration as further enhancing the brightening chances for gun control legislation in Congress. Partly because of the political impact of an outpouring of mail in favor of gun controls, the prospects of congressional action have changed in the period of a week from one where no action seemed likely to one where the administration believes it has a better than 50-50 chance.

At a meeting next Thursday, the House Judiciary Committee is expected to approve at least a modified version of the administration bill. Once the bill is cleared by the committee, administration officials foresee no insurmountable difficulties in pushing the legislation through the House.

In the Senate, where more opposition is expected, administration soundings indicate that around 40 to 50 senators—perhaps enough to secure passage—can now be expected to support the administration's bill.

Mike Mansfield, the Senate majority leader, in a statement issued yesterday, supported the fire-arms control bill introduced in the Senate on Wednesday by Sen. Joseph D. Tydings, D., Md.

In its new position, the gun industry parts company with the National Rifle Association, which this weekend was mailing letters to its one million members urging a mail campaign against the gun control bill pending in Congress.

While generally regarded as the leader of the gun lobby, the association

Subsidiary Findings

In a set of oral subsidiary findings issued with the verdict, the jury declared that the conspiracy did not include counseling draft-age men to dispose of their draft cards, but that it did embrace all other elements of the one-count indictment, among them aiding and abetting of draft-card burning.

The verdict was received with scant surprise and little emotion by the defendants, their lawyers and three dozen spectators who were still waiting when the jury

(Continued on Page 2, Col. 1)

Police Clean Out the Sorbonne; Brief, Sharp Street Fights Flare

A Stabbing Is Reason Given For the Move

By Ronald Koven

PARIS, June 16 (UPI)—The police ended the month-long student occupation of the Sorbonne today, evicting several hundred occupiers and clearing the Latin Quarter of thousands of protesting demonstrators and onlookers with tear gas and concussion grenades.

The government action seemed to bring the university crisis right back to where it was on May 3 when Sorbonne Rector Jean Roche called the police in to evacuate the university, touching off six weeks of intermittent rioting, a three-week general strike and a national crisis in which President Charles de Gaulle said he feared civil war.

The police takeover was in line with Prime Minister Georges Pompidou's pledge Friday to act with "more and more firmness." This attitude is apparently designed to reassure middle-class voters, a week before the National Assembly elections, that the government is back in control.

The takeover followed a similar operation Friday against the Odéon Theater under conditions strongly suggesting that the government wanted to move in on the Sorbonne.

As thousands of police surrounded the Sorbonne today, Interior Ministry representatives entered after noon to ask for evacuation because they said they wanted to conduct an inquiry into the circumstances surrounding the stabbing of a man with serious wounds who was transported from the Sorbonne infirmary.

An Interior Ministry communiqué gave the impression, without actually saying so, that he was wounded inside the university. Medical corps volunteers at the infirmary said that the patient, Jacques Barthe, about 35, was struck up on the street several blocks away late last night and that they sent him by ambulance to the Hotel-Dieu, the emergency hospital.

An element of mystery was introduced when the hospital authorities denied receiving any patient by that name.

Ministry's Demands

Barely a half-hour after the request that the students evacuate the first of several Interior Ministry communiqués said the university would be returned to the students and teachers "in a few days," but that "it is understood that in the future it can no longer serve as an inn, a hotel or an infirmary."

Police Prefect Maurice Grimaud, who negotiated with the students for more than an hour, demanded that the Sorbonne be evacuated by nightfall and that, "for security reasons," it never again be occupied at night.

The students refused to leave, calling the hospitalization "a pretext" and the demand "a clear provocation." The main student group, the National Students Union (UNEF), called on its followers to mass around the Sorbonne to guard against a police takeover by force.

But the students were taken by surprise just before 6 p.m. when about 50 helmeted police slipped inside the Sorbonne, took a side entrance and ordered them out. The students, including 136 UNEF stewards, left peacefully and without

(Continued on Page 2, Col. 5)



SPARKS START FLYING—A policeman hurls a gas grenade during one of the brief but violent clashes with groups of students after the Sorbonne evacuation.

Salan, Argoud, 12 Others Freed by De Gaulle Regime

By Henry Tander

PARIS, June 16 (UPI)—Raoul Salan, the former general and commander of a terrorist organization that tried to block Algerian independence by killing many Algerians and several French officers, and officials, was freed from prison yesterday morning on orders from President Charles de Gaulle.

The sweeping measure of pardon also freed Antoine Argoud, a former colonel, and 12 other members of the Secret Army Organization.

Six of the men who gained their freedom had participated in three attempts on the President's life. In 1962 and 1964, after Salan and Argoud were already in jail. Another attempt on the President's life was made in 1961 when Salan headed the terrorist organization.

The move is regarded as being part of the Gaullists' systematic campaign to win the vote of the far right in the general election

next Sunday. Gen. de Gaulle and other Gaullist speakers have defined the campaign as a battle against "Communist totalitarianism" and have urged the "reconciliation" of all patriots.

Prime Minister Georges Pompidou, in his first campaign speech, Wednesday, appealed specifically to "those who had opposed Gen. de Gaulle's Algerian policies" to rally round.

Salan, 62, is still a hero to the former French settlers in Algeria, nearly a million of whom now live in France.

His release is regarded as a price Gen. de Gaulle had to pay for the support he received from the commanding generals of the French Army when he visited them secretly last month before returning to Paris and commanding the country to return to order and discipline.

Lead Military Coup

Until now, the President and his government have resisted all demands for the release of Salan, who has been in prison for six years on a life sentence.

In April, 1961, after his retirement, Salan was one of four generals who staged a military coup d'état against the representatives of Gen. de Gaulle. The others were Gen. Maurice Challe, also a former commander in chief in Algeria, Gen. Edmond Jouhaud and Gen. André Zeller.

They seized the city of Algiers at the head of a disident regiment of the Foreign Legion and arrested the commanding general. They threatened to drop paratroops on Paris.

But the rest of the French officers in Algeria failed to rally to them in sufficient numbers and the coup collapsed. Challe gave himself up.

But Salan went underground and took over formally as commander of the Secret Army Organization (OAS), consisting of a multitude of terrorist commanders in Algeria and France. He was arrested a year later in an Algiers apartment building after a government double agent had infiltrated his staff.

At his trial, he assumed full responsibility for all the actions of the OAS. These actions included many assassinations and sabotage acts.

Instead of the death sentence demanded by the government, the military tribunal condemned Salan to life imprisonment. Gen. de Gaulle was described by intimates at the time as being outraged by the lenient verdict.

Salan was not always an anti-Gaullist. During the earlier Algerian uprising, in May, 1958 he was the first leader to shout "Vive De Gaulle!"

But the two men fell out when Salan refused that the new head of the government was moving toward Algerian independence.

The best-known name in the group of paroled members of the OAS today, except for Salan, was Edmond Jouhaud, who was regarded as the intellectual leader of those who were affected by the French Army who chose to remain only in London's French

Eisenhower Has Another Heart Attack

WASHINGTON, June 16 (UPI)—Former President Dwight D. Eisenhower has suffered another heart attack at Walter Reed Army Hospital here, it was announced today.

The hospital said Gen. Eisenhower, 77, was struck last night but "spent a comfortable night" and his present condition is "stable."

An announcement from Walter Reed described it as a "coronary heart attack."

It was the fourth heart attack suffered by Gen. Eisenhower in 13 years and his second this year.

The former President was first stricken while in office in 1955, but the other attacks occurred after he left the White House.

He was stricken the third time on April 29 this year while holidaying at Palm Desert in Southern California and was then admitted to March Air Force Base Hospital.

After initial treatment there, he was flown to Walter Reed on May 14 in a jet airliner provided by President Johnson.

At midday today a source familiar with the case said doctors in attendance still were speaking of Gen. Eisenhower's condition as stable and reported he was resting comfortably, the Associated Press reported.

[This source said that so far as he knew the doctors had not yet characterized the degree of the new attack—whether it was mild or something more serious. He said it is his understanding this might not be done for a day or so.]

Risk in Hospital

WASHINGTON, June 16 (Reuters)—Secretary of State Dean Rusk entered the hospital today with what appears to be a low-grade infection of the urinary tract, the State Department announced here.

It said Mr. Rusk was in Walter Reed Army Hospital to undergo tests for two or three days. No details were given.

Norman Thomas III

HUNTINGTON, N.Y., June 16 (AP)—Socialist leader Norman Thomas, 82, was hospitalized today at Huntington Hospital, where a spokesman said he was in fair condition. The spokesman said Mr. Thomas had suffered "an upset," but did not elaborate.

BOAC Pilots Strike To Force Pay Raise

LONDON, June 16 (Reuters)—A pilots' strike grounded British Overseas Airways Corp. flights from London today.

Midnight had been the pilots' deadline for a settlement of their pay demands. But it went by without a settlement.

When the talks broke down the pilots' chairman Capt. Ray Meristat of Argoud, who was regarded as the intellectual leader of those who were affected by the French Army who chose to remain only in London's French

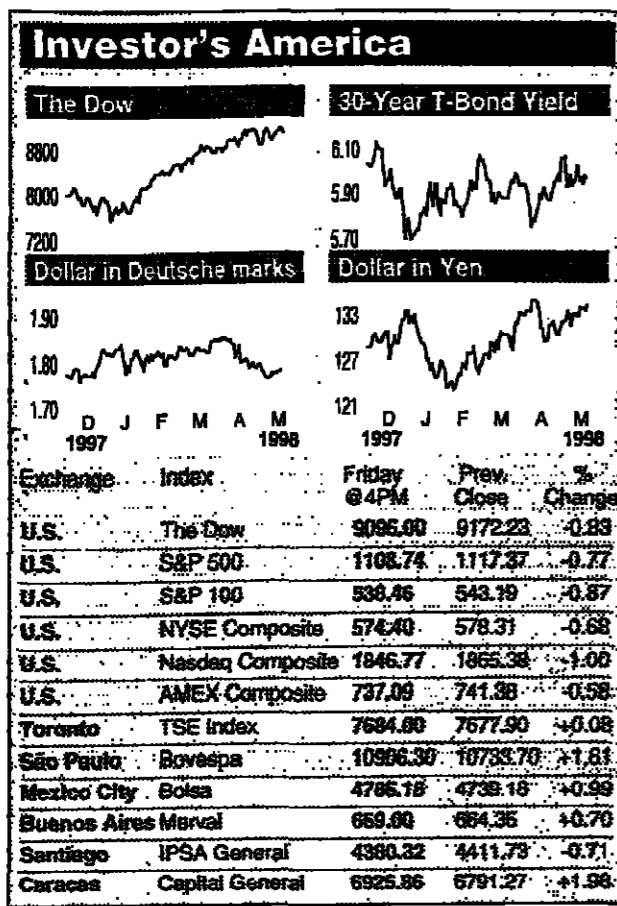


CONVICTED—Dr. Benjamin Spock, left center, talks with newsmen outside federal court in Boston after his conviction of conspiracy with three others to

counsel young men to avoid the draft. The others are Mitchell Goodman, left, Michael Ferber, right, and the Rev. William Sloane Coffin Jr., extreme right.

Clinton Get Economic Agreement With Japan

CURRENCY



Very briefly:

- Philip Morris Cos. and RJR Nabisco Holdings Corp., the two largest U.S. cigarette makers, cut their first-quarter earnings to account for charges to pay for their share of the tobacco industry's \$5.6 billion legal settlement with Minnesota. Philip Morris will take an \$806 million charge and restate earnings to \$1.38 billion, down from \$1.87 billion. RJR will take a charge of \$199 million, resulting in a net loss of \$20 million compared with net income of \$179 million.
- General Growth Properties Inc. has agreed to acquire U.S. Prime Property Inc., a private real estate investment trust, for \$625 million and the assumption of about \$65 million in debt.
- Berkshire Hathaway Inc., the investment company controlled by Warren Buffett, said first-quarter profit surged to \$722 million from \$284 million a year earlier. Realized investment gains rose to \$470 million from \$21 million in 1997.
- Hewlett-Packard Co.'s profit for the quarter ended April 30 fell 13 percent, to \$685 million, on price-cutting and economic weakness in Asia. Revenue rose 16 percent, to \$12.0 billion.
- Ameritech Corp. agreed to market the long-distance services of Qwest Communications International Inc. despite a lawsuit by AT&T Corp. and other long-distance companies against a similar pact between Qwest and US West Communications Group.
- NationsBank Corp. is considering acquisitions outside the United States, a month after agreeing to merge with BankAmerica Corp. to form the largest U.S. bank.
- J.C. Penney Co.'s first-quarter earnings rose 25 percent, to \$174 million, as it cut costs to offset weak sales at its department stores. Revenue for the period ended May 2 rose 5 percent, to \$7.05 billion.
- Molson Cos., the Canadian brewer, said profit from continuing operations for the 1998 financial year rose to \$8.5 million Canadian dollars (\$40.4 million) from 24.5 million dollars. Revenue rose 5 percent, to 1.55 billion dollars.

Bloomberg, AP, Reuters

Asia Worries Lift Dollar Against Yen

New York — The dollar rose against the yen Friday amid speculation that the upheaval in Indonesia would hurt Japan's already battered economy and those of its Asian neighbors.

"The situation in Indonesia continues to deteriorate and Japan's economy is slipping further into recession," said James McKay, currency strategist at Commonwealth Bank of Australia in London.

Japan is Asia's biggest economy and the biggest lender in the region.

The dollar was quoted at 134.530 yen at 4 P.M., up from 133.685 yen on Thursday.

Still, traders are reluctant to lift the dollar too far before leaders from the Group of Seven industrial nations finish meeting in Birmingham, England.

The dollar rose to 1.7850 Deutsche marks from 1.7789 DM after Reimut Jochimsen, a Bundesbank council member, said there was no hurry to raise German interest rates to bring them in line with those in other nations adopting Europe's single currency in January.

The dollar rose to 5.9455 French francs from 5.9650 francs and to 1.4863 Swiss francs from 1.4805 francs. The pound fell to \$1.6262 from \$1.6310.

All New Beetles Recalled in U.S.

AUBURN HILLS, Michigan — Volkswagen AG's new Beetle, lauded in crash tests and prized by consumers, was tarnished on Friday by a recall for an electrical problem.

Volkswagen of America Inc. said it was recalling all of the 10,100 Beetles sold in the United States and Canada because certain wires could be damaged from rubbing against the battery tray. VW said it had received no reports of accidents or injuries related to the wiring problem.

Microsoft Shows Its Pragmatic Brinkmanship

By Steve Lohr and Joel Brinkley
New York Times Service

NEW YORK — Microsoft's last-minute gesture toward the Justice Department, a new-found taste for compromise in the hopes of avoiding a major antitrust suit, speaks volumes about the company.

It may have a take-no-prisoners corporate culture and an antagonism toward Washington but, as any accomplished capitalist, Microsoft is ultimately guided by the pure logic of business.

"Microsoft is extremely tough-minded and willing to act on the edge of brinkmanship, but pragmatism is at its core," said David Yoffie, a Harvard Business School professor.

Less than an hour before state and federal governments were set to file sweeping antitrust suits against Microsoft Corp., the company announced Thursday that it would postpone the release of its new operating system, Windows 98, for three days so that settlement talks could proceed.

It was only then that Microsoft, demonstrating the steel-nerve

brinkmanship that has marked its negotiating strategy and spurred its growth over the years, called a cease-fire. Microsoft offered several significant concessions in its marketing practices, and both sides immediately took steps to allow the talks to continue Friday.

Clearly, Bill Gates, the Microsoft

Any antagonism it may have toward Washington is tempered by the pure logic of business.

chairman, and his lieutenants have decided that some of the concessions the government is seeking can be made without posing a real threat to the company's remarkably lucrative business.

Officials and executives involved with the talks said that Microsoft on Thursday suggested a general willingness to modify or abandon several of its marketing and presentation arrangements that prosecutors find objectionable.

The company might, for example, drop demands that computer manufacturers feature Microsoft products to the exclusion of competitors' products. It might also

modify the terms under which its programs must be displayed on computers.

But, these people said, the company remains steadfast in its refusal to modify the programs itself — or to stop adding additional features to its operating system. Most notably, it insists that its Internet Explorer,

the browser software that enables users to view the Internet's World Wide Web, is an essential part of Windows.

The lawsuit prepared by the states, similar in style and scope to the proposed federal suit, several officials said, would have sought to prevent the release of Windows 98 until a court could rule on a broad range of Microsoft's business practices.

Among its points, the suit would challenge what it calls "tying," a practice that in recent years allowed Microsoft to dominate the markets for word-processing, spreadsheet and other programs by bundling

them together in software "suites." It would also block the company from forcing manufacturers to incorporate certain features on the Windows main screen, or desktop, when the computer is first turned on.

On these points, Microsoft has suggested some flexibility. But the suit would also seek to block Microsoft from including WebTV for Windows, its electronic program guide for television and Web sites, and Outlook Express, its e-mail program, with Windows 98.

What is more, it would ask the court to require Microsoft to allow manufacturers to replace the Internet Explorer browser with another browser when installing Windows 98. On these points, Microsoft is unlikely to give in. In fact, Microsoft insists that Internet Explorer is so deeply embedded in Windows 98 that it would be impossible to separate it without a complete redesign of the program.

Both state and federal officials stressed that their suits could still be filed if the parties did not reach agreement, and all the parties predicted that no conclusion would be reached before the deadline on Monday.

Government officials said they suspected that Microsoft might be willing to delay the release of Windows 98 beyond Monday if the talks were going well. A Microsoft spokesman declined to speculate on a further delay. Plans to begin selling the new operating system in stores on June 25 have not changed, the company said.

The fact that both sides had begun an effort to reach a settlement without going to court should not be interpreted as a sign that an accord will in fact be reached, a person involved with the talks said.

Microsoft's strategy of fiercely resisting an accommodation with the government and then finally coming to the negotiating table is precisely the approach the company took when it reached an earlier settlement with the Justice Department, a consent decree signed in 1994 and approved by a federal court the following year.

"It was unmistakably clear to Microsoft then, just as it is now, that if we didn't get a resolution, we'd sue them," recalled Robert Litton, then a senior Justice Department official who worked on the consent decree.

The decree prohibited Microsoft from striking certain deals with personal-computer makers for licensing the company's Windows operating-system software that were determined to be anti-competitive.

Technology Issues Drag Down Wall Street

Compiled by Our Staff From Dispatches

NEW YORK — Weak technology issues pulled the stock market lower Friday after National Semiconductor warned it would lose money until the end of the summer.

The pessimistic outlook from one of the biggest U.S. semiconductor companies followed weak earnings from personal computer maker Hewlett-Packard. Investors are concerned that weak Asian economies are hurting demand for computer products.

"There's a realization that this Asian situation is not just a one-quarter phenomenon but rather one that is probably going to have a longer-lasting impact," said Jeff Peterick, a money manager at Loomis, Sayles & Co. "It is not an easily solvable problem."

The Dow Jones industrial average closed 76.23 points lower at 9,096.00 and the Standard & Poor's 500 index ended down 8.63 points at 1,108.74. The technology-heavy Nasdaq composite index lost 18.60 points to close at 1,846.76, and losing issues outnumbered gaining ones by a 3-to-2 ratio on the New York Stock Exchange.

But the Treasury bond market ben-

efited from the Asian turmoil as investors sought a safer haven for funds. The price of the benchmark 30-year issue rose 6/32 point to 102 5/32, taking the yield down to 5.07 percent from 5.09 percent Thursday.

Expectations for the Federal Reserve Board to keep interest rates steady after policymakers meet next week also lifted the bond market.

National Semiconductor fell 1 1/2 to 17 after warning that slow chip sales to computer companies would force it to post a loss for the next two quarters.

The warning came a day after Hewlett-Packard also warned of weak results; the computer maker posted lower earnings Friday.

Other chipmakers and computer companies faltered, including Intel, which lost 4 1/4 to 80 5/16, Dell, which fell 5/8 to 90 1/4, and Compaq, which lost 1 1/4 to 30 5/16.

The Dow was pulled down by Walt Disney, which tumbled 5/4 to 110 13/16 after an analyst at Merrill Lynch & Co. cut her investment rating on the stock to "neutral" from "accumulate," citing concern

over the cost of getting rights to air National Football League games on ABC and ESPN.

Among other active issues, FPA Medical Management fell 5/4 to 6 after the health maintenance organization said it would take charges of \$200 million against second-quarter earnings for restructuring.

Union Texas Petroleum fell 1 1/4 to 27 3/4 on concerns that the company's heavy exposure in Indonesia might deter Atlantic Richfield from buying Union Texas for \$3.3 billion, as planned.

Ergo Science fell 7 9/16 to 6 1/4 after it failed to win the backing of a government panel for its diabetes drug, Ergoset.

K-tel International rose 2 11/16 to 25 1/4 after the entertainment marketing company's chief executive and its president offered \$8 million in credit for its fledgling on-line music service.

Xybernaut fell 1 15/16 to 6 31/32 as investors took profits after sharp gains Thursday.

Pivot Rules rose 1 1/4 to 3 1/4 after the maker of golf sportswear said it would form a division that will market discounted, brand-name apparel on the Internet. (Bloomberg, AP)

AMEX

Friday's 4 P.M. Close
The 300 most traded stocks of the day, up to the closing on Wall Street.
The Associated Press

Stock	Sales	High	Low	Latest	Chge
AMC	449	19 1/8	18 3/4	19 1/8	+1 1/4
AMT	100	10 1/4	10 1/4	10 1/4	0
AMZN	100	10 1/4	10 1/4	10 1/4	0
ATM	100	10 1/4	10 1/4	10 1/4	0
ATV	100	10 1/4	10 1/4	10 1/4	0
AVP	100	10 1/4	10 1/4	10 1/4	0
AVT	100	10 1/4	10 1/4	10 1/4	0
AVX	100	10 1/4	10 1/4	10 1/4	0
AVZ	100	10 1/4	10 1/4	10 1/4	0
AVY	100	10 1/4	10 1/4	10 1/4	0
AVX	100	10 1/4	10 1/4	10 1/4	0
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Inflation Is Not Europe's Only Fight, Jospin Says

By Barry James
International Herald Tribune

PARIS — Prime Minister Lionel Jospin insisted Friday that the creation of a European central bank should not limit Europe's economic policy to a fight against inflation. He said this did not mean France was abandoning its battle to reduce its public deficit as it prepares for the introduction of the European single currency on Jan. 1.

Rather, he said the 1999 budget would continue strict curbs on public spending, even though strong economic growth, forecast to be as much as 3 percent this year, has given France more margin for pump-priming action.

"Letting our public debt get out of control would lead to powerlessness sooner or later," he said.

At a meeting of business leaders organized by the economic daily *Les Echos*, Mr. Jospin said economic and monetary union would give European nations more room to

maneuver in the pursuit of national aims by reducing interest rates and eliminating foreign-exchange risks. The French prime minister's words could arouse further suspicion in Germany, where the key function of the European central bank is seen as the fight against inflation and

Union. Still, if the French have their way, the council is likely to play a defining role in economic coordination and policy-making. Unlike Germany, France has stressed the concept of political control within the euro zone, and observers said it was this that led Pres-

The French prime minister's words could arouse further suspicion in German circles.

where many people fear France's philosophy could undermine the central bank's independence. These differences are likely to come to a head June 4 with the first meeting in Luxembourg of the council of the euro, which was set up under largely French pressure as a counterweight to the central bank. Made up of finance ministers of the countries adopting the euro, the council is described as "informal" because it is not mentioned in the founding treaties of the European

ident Jacques Chirac, at summit talks in Brussels this month, to insist that Wim Duisenberg step down midway through his eight-year term to begin July 1 — as president of the central bank to make way for Jean-Claude Trichet, governor of the Bank of France.

Mr. Jospin's message that France had to cut deficits now in case of an economic downturn in the future was also stressed at the business leaders' meeting by Mr. Trichet, who called on governments to aim

for balanced budgets or even budget surpluses. He said governments should use the current economic upswing "to reload the budget gun, so they can use it when things get difficult" — in other words, put something aside for a rainy day.

France's policy of economic austerity is under attack from the left and from many unions, who blame it for high unemployment. Mr. Trichet warned, however, that "public debt is no shield against unemployment."

Mr. Trichet said the European Central Bank would affect neither the independence nor the importance of the national central banks, which will become part of a unified system. Doubts about the independence of any central bank would affect the credibility of the entire system, Mr. Trichet said.

He added that building a new currency from scratch and ensuring its credibility, which he described as "incredibly ambitious objectives," would provide plenty of work for all the banks in the system.

Aerospatiale To Get 46% Of Dassault

Bloomberg News

PARIS — France will transfer its 46 percent stake in Dassault Aviation SA to state-owned Aerospatiale SA, the first step in creating a unified French defense and aerospace group that can team up with European partners to better compete with U.S. rivals.

Dassault, a military and civilian aircraft manufacturer that had resisted government attempts to force it to merge with Aerospatiale, said Thursday that it had consented to the share transfer. The government said it had asked both companies to study ways they could cooperate.

This is the first Franco-French step needed before they can create a European aerospace group," said Philippe Gossard, an analyst at Citicorp Lyonnais.

The government said Friday that it favored "the establishment of a concerted strategy for the French aerospace industry in the perspective of alliances that appear necessary for the principal European actors to create powerful and competitive entities."

Dassault is renowned for its Mirage III fighter jet, which became one of the best-selling planes in the world after Israel used Mirages with devastating effect in the 1967 Middle East war. But the later Mirage 2000 model won limited export orders, and Dassault's latest offering, the Rafale, has yet to win an export order. This week it lost out to Lockheed Martin Corp.'s F-16 for a \$6 billion 80-plane order from the United Arab Emirates.

Dassault made about half its 21 billion francs (\$3.52 billion) in 1997 sales from civilian aircraft, mostly its Falcon business jet.

Aerospatiale, which had 1997 sales of \$6 billion, franchises, assembles the Airbus passenger plane and the Ariane rocket, and also makes helicopters and missiles.

ITALY: Dawning of the Euro Age Is Inspiring Both Confidence and Concern

Continued From Page 11

pean demands and is forced to adapt. What is encouraging to the experts are the number of businesses, like Deroma, that seem as well positioned as any in Europe to meet the challenges the euro will pose.

Deroma expects revenue of \$91 million this year, a fivefold increase from a decade ago. Founded in the 1950s by local potters, Deroma single-handedly industrialized pottery production in the 1970s and then reinvented itself as a mini-multinational.

In the early 1990s, Deroma pushed aggressively beyond Italy's borders, grabbing back the marketing of its products in Europe and the United States from local distributors and then building or acquiring fac-

ories in Denmark, China and, most recently, the United States.

Companies like Deroma are the very backbone of the Italian economy, said Franco Bruni, an economist at Bocconi University, the business school in Milan. "These concentrations of small and medium-size companies with flexible structures are among the best" on the Continent, he said, and the euro will be a boon for them.

For many, he said, it will afford "emancipation from the costs of small Italian banks" while fostering cross-country networking, particularly in areas like those around Vicenza that are close to powerful economic regions farther north. By removing obstacles to companies' expansion, like the cost of protecting themselves from changes in exchange rates, the euro will promote

expansion across borders into neighboring countries.

But the chronicle of Deroma's growth also illustrates many of Italy's deficiencies. Wages in Italy are so high that Mr. Masello, Deroma's chief executive, had no inhibitions about moving production abroad.

Italian banking is so costly and provincial that to finance Deroma's growth, Mr. Masello took the very un-Italian step of selling shares on the Milan stock exchange, thus avoiding the debt that makes Italian companies, as he puts it, "the salvation of the banking system." (Deroma is one of only two of the 2,200 industrial companies in the Vicenza area listed on the Milan bourse.)

Even then, to manage the stock sale, he chose Deutsche Morgan Grenfell, the investment banking

arm of Germany's Deutsche Bank, although he also brought into the syndicate Credito Italiano, one of the best-run Italian banks, "to include a national bank."

And so rigid is the Italian labor market, and so immobile have Italian companies become thanks to generous welfare and unemployment payments, that despite unemployment of more than 20 percent in the south of Italy, Deroma employs 40 to 50 non-Europeans, mainly from India and Africa, among its roughly 1,500 workers.

Still, not all of Italian business shares Deroma's dynamism, and what troubles some experts is the relative weakness of key sectors of the economy, like banking.

To cushion that industry, Italy long maintained high barriers to foreign entry. Now the euro is expected to open the gates to foreign capital.

Investor's Europe					
Frankfurt DAX		London FTSE 100 Index		Paris CAC 40	
5400	8200	4200			
5300	5800	3900			
4700	5500	3800			
4350	5300	3300			
4000	5000	3000			
3650	4700	2700			
D J F M A M	D J F M A M	D J F M A M			
1997	1997	1997			
1998	1998	1998			
Exchange	Index	Friday Close	Prev. Close	% Change	
Amsterdam	AEX	1,169.77	1,164.09	+0.40	
Brussels	BEL-20	5,116.93	5,108.67	+0.33	
Frankfurt	DAX	5,393.14	5,391.22	+0.66	
Copenhagen	Stock Market	725.56	735.38	-1.34	
Helsinki	HEX General	4,919.36	4,944.23	-0.50	
Oso	OSX	735.32	740.68	-0.72	
London	FTSE 100	5,917.86	5,948.90	-0.52	
Madrid	Stock Exchange	Closed	858.12		
Milan	MBTEL	2,978.78	2,994.4	+0.14	
Paris	CAC 40	3,990.23	4,011.98	-0.54	
Stockholm	SX 16	4,101.98	4,066.39	+0.86	
Vienne	ATX	1,564.02	1,583.61	-0.19	
Zurich	SPI	4,748.85	4,765.72	-0.35	
Source: Telekurs					
International Herald Tribune					

•Foreign Firms Look to an Uncertain Future in Jakarta

Singapore Air Buys Long-Haul Airbuses

Tokyo Demotes Finance Official In Gifts Scandal

Seoul to End Foreign Stockholding Limits

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Against the Tide: Contrarian Picks for When the Market Turns

By Aline Sullivan

ONE OF THE ironies of today's bull market is that contrarian funds have, in themselves, become contrarian investments. It takes a bold investor to pump money into what are some of the worst-performing vehicles around.

"Contrarian investing is essentially a way of saying that the crowd is wrong, in terms of price or time or even both," said Michael Lipper, chief of Lipper Analytical Services in New York. "That does happen. The problem is that the extreme contrarians are more often wrong than not."

The two global funds defined by Lipper Analytical as contrarian form a case in point. The \$200 million Newcap Contrarian Fund and Ohio National's \$5.6 million One Fund Global Contrarian Mutual Fund rank among the five worst-performing funds in their sector so far this year and within the bottom 10 percent in the past 12 months.

The managers of these funds, and their investors, need thick skins in times like these.

"So few people are contrarians because it is physiologically very difficult," said the One Fund manager, Jean-Marie Eveillard. "We are always swimming upstream." He attributed the fund's "pedestrian" performance—it is up 5.6 percent so far this year—to its concentration in small companies, mostly in France, Japan and Switzerland.

"We will stick with smaller securities because we believe there is genuine value there," said Mr. Eveillard, who also is the president and manager of the SoGen International Fund and manager of Ohio National's One Fund International.

He identified ImmoBilicere Marseilles as an investment that is starting to pay off. The French holding company, which owns stakes in a number of large European companies and in real estate in Southwest France, has returned nearly 50 percent to its investors so far this year.

"It is still trading at a 50 percent discount to net-asset value and will also benefit as real-estate prices start to rise in France," he said.

The bolder the manager, the worse the fund, at least lately.

"There are many different contrarian

strategies," said Russel Kinnel, equity fund editor of Morningstar Mutual Funds. "Some funds simply buy beat-up stocks, while others have made the mistake of shorting them. Gold funds, in which investors have been able to double their misery, can also call themselves contrarian."

CONTRARIAN EQUITY funds are most popular in the United States, where they have been of little use to investors in the past year, and almost unheard of in Asia, where perhaps they could have helped investors avert some misery. Analysts point out, however, that true contrarian funds will differ from the so-called bear funds in that they will lose money in a swiftly declining market, albeit not as quickly as more general funds.

But if ever there was a market ripe for contrarians, Asia is now it. The Global Contrarian Fund was launched last month by the Singapore-based fund manager OUB Asset Management Ltd. Its managers expect to generate average returns of 20 percent by betting on fundamentally strong stocks that have been oversold.

It has not worked out that way, at least not yet. Instead, the 19 million Singa-

pore dollar fund provides a perfect illustration of why contrarian investors need the patience of Job: It has plunged almost 10 percent since its inception. Global in name only for now, the fund has made most of its investments in Southeast Asia, thanks in part to a quantitative program that alerts the manager, Gillian Ang, when shares anywhere have dropped more than 20 percent.

To date, the Global Contrarian fund's top 10 holdings are: Singapore Airlines Ltd.; China Merchant Holdings International Co.; warrants for Jollibee Foods Corp. of the Philippines; Shanghai Industrial Holdings Ltd.; BEC World PCL of Thailand; PTT Exploration & Production PCL of Thailand; Thai Farmers Bank; United Overseas Bank Ltd. of Singapore; Guangzhou Holdings of Hong Kong and China Telecom (Hong Kong) Ltd.

In Europe, said David Masters, senior fund analyst at Micropal in Boston, "fund managers are reluctant to call themselves contrarians but a lot of them are starting to adopt that approach."

Dresner Bank RCM's Emerging Market Fund and the Select Emerging Market Funds, several of the Foreign & Colonial Funds and hedge funds such as

the Croesus Capital Management EMTR Fund are really becoming contrarian," he added.

In the United States, funds such as the \$29.8 billion Vanguard Windsor Fund, which has been closed to new investors, operate cautiously in the gray area between value and contrarian investment approaches. Investors are not complaining about this lack of definition, however: The 30-year-old fund has returned 15 percent so far this year.

AT LEAST SOME of that performance can be attributed to what was a true contrarian play. The fund acquired a large stake in Citicorp in the early 1990s, when the bank's future was in doubt. Since then, the Windsor manager, Charles Freeman, has seen his \$8-per-share investment rise to about \$150 late Friday, including a \$37.625 boost on April 6, when the company announced plans to merge with Travelers Group Inc. in a stock swap.

Investors who missed this boat can look to the Windsor II fund, which was started in 1985 and remains open to new investors. Managed by James Barrow, it is now worth about \$23 billion. Citicorp is not figure among its 10 largest holdings.

At the other extreme of the contrarian spectrum are funds such as the Comstock Capital Value fund, which has posted a loss of more than 12 percent so far this year and 31 percent in the past 12 months, ranking it among the worst-performing capital appreciation funds. Analysts attribute these losses to aggressive but misguided short selling, the sale of securities that the fund borrowed and hoped to buy back at lower prices after they fell.

The perils of shorting stock in today's market are well illustrated by two related funds. The \$37.6 million Crabbe Huson Small Cap is up 4 percent so far this year, while its sister fund, the \$296 million Crabbe Huson Special, has sunk almost 4 percent over the same period.

"The Crabbe Huson Special had been a strong performer until 1996, when manager Jim Crabbe started negotiating short positions, an area in which he clearly hasn't shown much ability," said Mr. Kinnel of Morningstar. "He held on to his short positions longer than, on to some of his long positions and he chose the wrong stocks. For example, he shorted America Online, Dell and Compaq because he thought they were overpriced. But all three are market leaders, and their

shares have continued to rise."

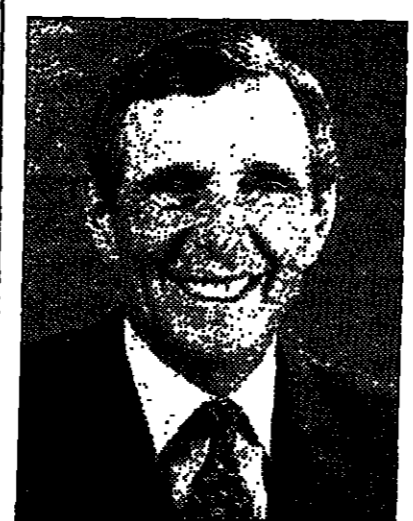
Currently, the fund has allocated 5.5 percent of its assets to shorting Dell Computer Corp., 3.2 percent to America Online Inc. and 2.2 percent to Compaq Computer Corp. It also has allocated 3.7 to shorting Citicorp and 2.7 percent to shorting UAL Corp., the parent of United Airlines.

IT WAS NOT always like this. Just a few years ago, aggressive contrarian funds were hot buys and the Robertson Stephens Contrarian Fund was the big favorite. Paul Stephens, its manager, made his name in 1995 when one of his obscure Canadian holdings, Diamond Fields Resources Inc., hit the jackpot with the discovery of the world's largest nickel deposit in Voisey Bay, Canada, and was then acquired by Inco Ltd. for 38 times the amount Robertson Stephens had paid for its 6.9 million shares.

But times have changed. Robertson Stephens Contrarian Fund now has \$362 million under management, little more than a third of its total assets three years ago.

"In the current market, which prizes well-known, consumer-oriented mul-

Continued on Page 19



David Dreman: Discipline is key.

One Manager's Tips for Building a Portfolio Against the Flow

CONTRARIAN INVESTING shares some features with value investing: the strategy of looking for stocks that are priced inexpensively relative to the average market levels for dividends, earnings and corporate assets.

This is natural, because the unpopular stocks sought by contrarians are bound to trade at lower multiples than those of companies that are in favor, making them attractive to value investors as well.

But while they are similar, contrarian and value investing are not the same, according to David Dreman, an asset manager and the author of the new book "Contrarian Investment Strategies: The Next Generation."

Mr. Dreman said a key to the contrarian model was discipline, and he offered a list of five indicators that he uses to screen stocks.

Individuals with more than \$50,000 to invest could construct a contrarian portfolio of about 25 stocks, and these he said should be diversified among several industries.

The criteria assume different levels of importance based on market conditions, Mr. Dreman said.

For example, in the early 1990s, when financial stocks were unpopular, many issues in the sector had low prices in relation to the book values of their assets. At such a time, the other criteria, such as low-priced stocks in the industry, would be used to winnow

1. Stocks with the lowest price-to-earnings ratios. Mr. Dreman looks at those companies whose ratios are in the bottom 20 percent of the market.
2. Stocks with the highest dividend yields. Look for stocks that have strong enough earnings to support the dividends.
3. Stocks with low price-to-book values. Book value is a company's assets minus its liabilities. Mr. Dreman suggested looking for companies with values far below the average for the market. In the United States, the average ratio is now about 3.5, and he suggested that investors look for ratios of 2.5 to 3.5.
4. Stocks with low price-to-cash

flow ratios. This is similar to the price-to-earnings valuation but cash flow also includes items such as depreciation. Cash flow is more difficult for companies to adjust than the narrower profit measure, and it works particularly well with industrial and energy companies.

5. Stocks with low values relative to others in their industry. Taking the cheapest stocks in several industries provides contrarian diversification.

DAVID DREMAN is chairman of Dreman Value Management LLC, an investment-advisory firm at 3 Harding Road, Red Bank, New Jersey, 07070. He manages accounts for institutional and wealthy private investors. His telephone number is 1 732 234 1000. He also is the manager of the Kemper-Dreman High Return Fund. Information about the fund can be obtained by calling 1 312 337 7000, or toll-free in the United States, 1 800 621 1046. For information about his book, "Contrarian Investment Strategies: The Next Generation" (Simon & Schuster, \$23), consult www.SimonSays.com/titles/bookpage.asp?isbn=068481305

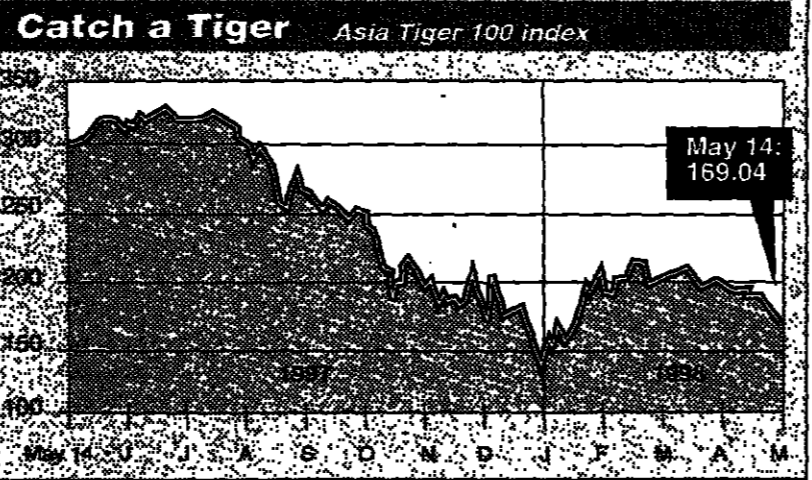
Placing a Bet On Recovery In Asia With New Warrants

GIVEN RECENT events in Asia, a true contrarian play would be to speculate that stock prices there will rise significantly in coming months. For investors who want to make that bet, there is a new vehicle that offers a leveraged wager: a warrant on the Asia Tiger 100 Index, a group of blue-chip Pacific stocks, half of which are from Hong Kong and Taiwan.

Warrants are complicated instruments, akin to long-term call options. They give their holders the right but not the obligation to buy something at a specified price. Traditionally, this was a stock or a bond, but in this case the warrants can be exercised for cash if the index trades above 185.88. The exercise value is determined by the formula \$15 x (Index-185.88)/185.88.

On Thursday, however, the index was at 169.04. It has been falling since the warrants were issued on April 30. That brought the price of the warrants down to \$4 from the \$5 they were sold at. The index would have to rise to 235.45 before the warrants expire on Nov. 1, 2000, for investors who bought on Thursday to break even.

The complex math of warrants means that if the index moves above the breakeven point, investors garner higher percentage gains than they would achieve by purchasing the underlying stocks. Cur-



Source: Bloomberg

rently, the so-called gearing ratio is about 2.8, meaning gains in the warrants would outpace a rise in the index by that factor.

The warrants are listed on the Chicago Board Options Exchange, and they were issued by the International Finance Corp., the World Bank affiliate whose mission is to encourage private investment in developing countries.

At first glance, it would seem that the IFC was betting against Asia's stock markets because the issuer of the warrant takes the opposite position from the investors. But Minati Misra of the IFC's Treasury Department said this was not the case.

"The IFC is completely hedged," she said. "We are not taking any view."

The IFC transferred the risk that Asian markets will rise to other investors, who Ms. Misra would not identify. She said the agency reckoned that the warrants would be popular with contrarians outside of Asia, and that the IFC's role was "using its balance sheet and getting compensated" by acting as the middleman in the transaction and keeping part of the \$5 million or so raised in the sale.

The IFC, she added, "has an ad-

vantage to issue in the United States" because it does not have to comply with Securities and Exchange Commission listing requirements.

For investors who think Asian equities will rise from current levels, the warrants offer a risky alternative to mutual funds or stocks. Should the index fail to rise above 185.88 before they expire, the warrants will have no value, and even an advance beyond that level does not guarantee a gain. A big recovery, however, would give the warrant-holders far sharper gains than more timid investors.

The index, which is calculated in dollars and will be periodically rebalanced to maintain these weightings, has 32 percent of its stocks in Hong Kong, 22 percent in Taiwan, 14 percent in Malaysia, 12 percent in Singapore, 6 percent in South Korea, 6 percent in the Philippines, 4 percent in Indonesia and 4 percent in Thailand.

International Herald Tribune.

THE WARRANTS trade like stocks under the symbol ACWWS on the Chicago Board Options Exchange (use ACWWS on the Bloomberg system). The symbol for the index is TXO. For more information, see the Web site at www.ifc.com/products/txo/guide.html

Q & A / David Tice, Prudent Bear Fund Manager

The View From Outside the Bubble

DAVID TICE manages the Prudent Bear Fund, a U.S. mutual fund that seeks to profit in rising as well as falling markets by either owning or selling short stocks, depending on whether Mr. Tice thinks equities are under- or overvalued. His net position is short these days, and he has had no trouble finding stocks that he thinks are overvalued. Yet the market has not cooperated with his contrarian position, and the fund is down 24 percent so far this year.

Mr. Tice discussed the market with Conrad de Aenlle.



David Tice: Awaiting the bust.

Q. The stock market always goes up over the long run, as the swelling throng of bulls keeps pointing out, so why does the world need funds like yours?

A. The market doesn't always go up. There are bear markets and bull markets. This has been the biggest secular bull market in history, since 1982. The minor bear markets in 1987 and 1990 required investors only one to two years to recoup their initial investment. These were painless bear markets. We are in the midst of the biggest bubble in the economy and stock market that America has ever seen. The market badly needs a fund like ours, which allows individuals to be short the most expensive stocks in the country in a diversified, professionally managed portfolio. This is not available anywhere else.

Q. Some bear funds are essentially anti-Standard & Poor's 500 index funds, tracking the benchmark index only in reverse. You're a stock-picker, looking for overvalued companies to sell short. That does not require you to have a bearish view on the market, right?

A. Not necessarily. We attempt to identify stocks that will decline no matter what the market does. The problem is that with a portfolio, there is a natural correlation with the market.

Q. By many measures, the U.S. market is far more overvalued than it ever has been, and European markets are not much cheaper. Bulls say this is a new era, in which fundamental changes have rendered the old criteria useless. What's your opinion?

A. I'll quote Bob Farrell of Merrill Lynch: "There's no such thing as new investment eras, only investment eras that go to new extremes, and there's never been an investment extreme that has been created that was not thoroughly rationalized and justified at the time that it was being created."

This is no new era, this is a bubble, pure and simple, just like what we experienced in the 1920s and what the Japanese experienced in the 1980s. The economy looks great because of the excess credit provided to the system by innumerable sources. However, this excess credit has led to malinvestment, which will eventually lead to a bust, which will be very, very painful.

Q. Prudent Bear lost 4.3 percent

last year, not bad at all considering the 33.4 percent gain in the S&P 500. So far this year, you've been creamed. What happened?

A. This has been a bad period for us. We have been heavily invested on the short side because we felt that the decline would come at any time, with corporate earnings slowing and with the Asian problems intensifying. Obviously we have been wrong. Our good 1997 performance was partially due to the fact that we were so heavily short in the October decline, and we are ready again. We have also been hurt by being short a few stocks that have been heavily short and being squeezed.

Q. What kinds of stocks make the best short-sale candidates?

A. We are careful in the stocks that we short. We don't make pure valuation shorts, only companies that are experiencing deteriorating fundamentals or where we have a strong view that the company will fail to meet earnings expectations.

Q. What are your biggest short positions now?

A. Many of our shorts are in high technology. Three of our biggest are Ultratech Stepper, CDW Computer and Novellus. We believe that there is far too much capacity in all areas of high tech and that margin declines are in store for the entire industry. We believe that semiconductor-equipment makers like Ultratech and Novellus will be especially hard hit, as there will not need to be new capacity built for semiconductor for some time.

Q. Internet stocks, especially the search engines like Yahoo, Lycos and Excite, soared beyond all expectation and have begun to descend. Is this just a little turbulence, or are they crashing and burning?

A. It's difficult to tell. These stocks will eventually crash and burn. We own put positions to limit our risk on Excite and Amazon.com. If this mania continues, these stocks are still too dangerous to short outright. The outlook for all these companies is that they will fail to live up to Wall Street's massive ex-

pectations. Amazon.com can sell a lot of books, but they can't make any money at it, nor do they expect to for some time.

Q. The bull market is a global phenomenon. Do you have any foreign short positions?

A. Yes, we are short the WEBS [World Equity Benchmark Securities] for Hong Kong and Spain, and we're short Telefonos de Mexico and the Mexico Fund. We're also short Lukoil Holdings, the largest Russian oil company, as a proxy for the Russian market.

Q. How do you time a short sale? Do you try to call a top or wait until a decline is under way?

A. We generally won't short a stock that's still going straight up. We'll wait until we identify some topping action. We're interested in the stock starting to roll over and for the money flow to start to slow down. This could depend, however, on if we are aware of a specific catalyst that is close at hand.

Q. Do you trade S&P 500 index futures or only buy and sell individual securities?

A. We will occasionally use futures contracts to either get more short in the event that we have substantial fund inflows, and occasionally we might buy futures to reduce our net exposure to the market yet remain in individual short positions.

Q. How do you know when to cover your positions?

A. We cover shorts when we believe the risk/reward profile has changed. We look at each stock every day, based on the current fundamentals and the current price and don't care so much if we are down or up in the position. If the momentum is going up a lot and we don't see anything that will change fundamentally in the near term, we very well could cover.

Q. Which trade are you more likely to close out, one with a 20 percent profit or a 20 percent loss?

A. The probability is more likely that we will close out a 20 percent loss, but not by much. We look at stocks independently of where we entered a position. A lot of shorts we would expect to fall more than 20 percent, but if we believe that sentiment has gotten too negative short term, we could cover.

Q. Your fund's brief is to be short when the dividend yield on the S&P 500 is less than 3 percent and long when the yield is more than 6 percent. Can you imagine being long again in your lifetime?

A. I think it is very possible that we will return to 6 percent dividend yields again with the next market decline. If not 6 percent, then at least 4.5 percent. It is hard to believe but a 6 percent dividend yield is very possible. The emotions for holding stocks fluctuates. Now people love them; in the future they will hate them.

FOR INFORMATION about the Prudent Bear Fund, call 1 214 666 2474, or toll-free in the United States, 1 888 778 2327, or see the Web site at www.prudentbear.com

Montserrat: The Ultimate Investment Getaway

By Aline Sullivan

EVEN THE MOST extreme contrarians need to relax. Where better to buy a place in the sun than on the ravaged Caribbean island of Montserrat?

In the three years since the Soufriere Hills volcano rumbled to life there, three quarters of the British colony's 11,000 residents have fled and 90 percent of its buildings have been abandoned.

Expatriate villas that cost from \$300,000 to \$1.8 million in the early 1990s are available for 20 cents on the dollar, down from 50 cents on the dollar just a few months ago.

Viewing the properties in this contrarian paradise can prove difficult, however. Some are buried under as much as 20 feet (6 meters) of ash, according to Paula Dutcher, a partner at West Indies Real Estate Ltd. in Montserrat.

Plymouth, the capital, is a ghost

town; the hotels, golf course and tennis courts are all closed. More importantly, insurers have stopped underwriting earthquake or volcano coverage and banks have stopped lending.

Worse still, the volcanologists continue to argue among themselves. Some think that another few months of calm—there has been no new volcanic activity for eight weeks—could signal that the worst is over. Others warn that volcanic activity might last as long as 50 years.

An agent at the real-estate firm Montserrat Enterprises certainly sounded gloomy.

"We have had no sales in the expatriate market since the volcano became active," the agent said, "and I don't know when things are going to get better."

Ms. Dutcher said she was confident that real-estate values would soon rise, however. Many of those who have fled, including many American, British and Canadian retirees, are keen to

return and some locals have been buying land. Britain has pledged to build a new airport and to undertake extensive development in the north, where much of the expatriate community lives.

But she acknowledges that the island's woes have discouraged even the most courageous outside investors.

"There has been plenty of interest from high-risk investors but few sales," said Ms. Dutcher.

"That's partly because about two-thirds of the island has to be surveyed before it can be sold," she added. "We have lost some land because gullies and ravines have been filled in, but we also have gained six new deltas with beaches."

Real estate does not get any more pristine than that. Contrarians bored with the relative calm of other resorts should feel right at home.

For further information:

• WEST INDIES REAL ESTATE LTD. Telephone: 1 664 491 8666
• MONTSERRAT ENTERPRISES LTD. Telephone: 1 664 491 2431

May 15, 1998

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Preferred Stock
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Paradise Lost: A
Worker's Dream

Times Like These...

WORLD ROUNDUP

Is Piazza a Marlin?

BASEBALL The Los Angeles Dodgers are on the verge of trading Mike Piazza to the Florida Marlins for Gary Sheffield, Bobby Bonilla and Charles Johnson in a seven-player swap, sources close to the team said Friday.

The only thing holding up the trade was Sheffield's approval, sources said, and there was no immediate word on when that might come. Sheffield, his agent and the Dodgers were expected to begin discussing the deal on Friday.

The Marlins were also to receive Todd Zeile, and the Dodgers would get Jim Eisenreich plus a player to be named, the sources said. In all, the salaries of the players involved total nearly \$110 million. (AP)

No Quest for Coronado

HORSE RACING Coronado's Quest, one of the favorites in the Preakness, was withdrawn Friday from the race after bruising his right hind foot.

Coronado's Quest was the third major horse to be taken out of the race to be run Saturday. On Tuesday, Halory Hunter broke an ankle and Indian Charlie withdrew after performing poorly in training. Coronado's Quest hurt his foot while training in New York, a race spokesman said. (AP)

Seles's Father Dies at 64

TENNIS Karolj Seles, the father and coach of the tennis star Monica Seles, died Thursday in Sarasota, Florida, after a long bout with stomach cancer, her agent confirmed on Friday. He was 64 years old.

Seles, who returned home to Florida after her defeat at the Italian Open last week, was with her father when he died, according to her spokesman. (Reuters)

Webber Gets Shipped Out

BASKETBALL The Washington Wizards traded a problem child for two veteran gentlemen, sending Chris Webber to the Sacramento Kings in exchange for Mitch Richmond and Otis Thorpe.

"We gave up a tremendous young talent in Chris Webber—we got a tremendous, mature leadership-type individual in Mitch Richmond," said Washington's general manager, Wes Unseld. (AP)

Kournikova Conquers Hingis

The Associated Press

BERLIN — Anna Kournikova picked up the biggest victory of her career Friday at the German Open, stunning top-seeded Martina Hingis in two hard-fought sets in the quarterfinals.

Kournikova, whose spectacular game has led some to believe she could one day top the world rankings, let three match points slip away before ousting Hingis, 6-3, 7-6 (7-1), at the \$926,000 event.

"I've been praying this win would come," said Kournikova. "I'm just very, very happy."

Hingis, the world's top-ranked player, had knocked the 16-year-old Russian out of three of the past four Grand Slam events, losing just one set in their four previous meetings.

Kournikova, still seeking her first title, will face Conchita Martinez in Saturday's semifinal, after the Spaniard beat Japan's Ai Sugiyama, 6-3, 6-3.

Jana Novotna, the third-seed Czech, also advanced with a 6-3, 5-7, 6-3 triumph against Romania's Irina Spirlea. She will face 18-year-old French qualifier Amelie Mauresmo, who ousted Austria's Barbara Paulus, 6-4, 6-2.

Just one day earlier, Hingis dismissed talk that Kournikova was another emerging rival for her No. 1 status after the American Venus Williams, who has chalked up two victories against her.

"I know she can play, but she's never shown it against me," said Hingis, 17. "She was always too nervous."

Kournikova has risen from the world's 324-ranked player to No. 16 this year, beating four top 10 players at the Lipton Championships to reach her first final. But the Russian's path to the top has often been blocked by Hingis.

"I didn't really think about who was on the other side of the net," said Kournikova. "I just played my game. I think she was surprised by that."

But, leading 5-2, 40-15 in the second set, Kournikova let all three match points slip away on errors. "She tried to kill the ball," Hingis said. "I tried to give it to her but she wouldn't take it."

Kournikova rebounded to rout Hingis in the tiebreaker, ending a long rally by slamming a forehand deep into the corner for a 2-0 lead, then never letting up.

"It's nothing to cry about," Hingis said. "I'll be ready for the French Open."

Chang Crashes at Italian Open

A day after outslugging No. 1 Pete Sampras, Michael Chang failed to put up much of a fight against the unseeded Spaniard Albert Costa, losing in straight sets Friday in the Italian Open quarterfinals. The Associated Press reported from Rome.

Costa, who won the German Open clay event last week when his opponent in the final withdrew citing exhaustion, dictated the pace against Chang and won, 6-2, 6-1, in about an hour.

Costa set up an all-Spanish semifinal

against No. 12 seed Alberto Berasategui, who beat Brett Steven, 6-4, 6-2.

Chang, the 15th seed, looked nothing like the player who beat Sampras at his own game in the third round. In that match, Chang banged serves and struck ground strokes with authority.

But against Costa, the American served poorly and was broken twice in the first set and three times in the second. Chang also was erratic from the baseline, repeatedly spraying shots long, wide or into the net.

The loss dampens Chang's prospects heading into the French Open later this month. It is the only Grand Slam played on clay, and the lone major title Chang has won, in 1989.

The reigning French Open champion, Gustavo Kuerten, tuned up for the defense of his only tour title by moving into the semifinals here with a 6-3, 6-4 victory over the Spanish qualifier Fernando Vicente.

Rain fell intermittently during the match, a strong contrast to the heat wave that gripped the Foro Italico from the start of the tournament. "Because of the rain, I tried to play simple tennis," said Kuerten, the eighth seed.

The Brazilian, nicknamed "Guga," reached his second semifinal of the season. At this time a year ago, Kuerten was ranked 69th by the ATP and was playing in a challenger tour event. But his victory at Roland Garros vaulted him up the rankings and he now stands ninth.



Kournikova celebrating her first victory over Hingis, in Rome on Friday.

The NCAA's Business: Is It Education, or Lining Its Pockets?

International Herald Tribune

BOSTON — America's college sports system is envied around the world. Champions from other countries have benefited from it, in track and field and basketball especially.

From abroad, it may seem the essence of the American Dream that thousands of teenagers can receive a university education for free, as well as the chance to grow athletically at the highest level. The mind and the body are cultivated at the same time.

But the system is flawed — hopelessly so at its highest levels.

This past week, the basketball coach Jim O'Brien sued his alma mater and former employer, Boston College, for \$185,000, which he claims he is owed on a coaching contract from two seasons ago. In the lawsuit he claims that the school showed "an apparent bias against African-American" athletes.

At its core, the lawsuit is an argument

over why the school denied admission to two teenage basketball players of questionable academic competence. In his lawsuit, O'Brien claims that the university's director of admissions, John Mahoney, discriminated the grades and test scores of both players because they came from poorly-rated high schools.

The complaint adds that Mahoney expressed reservations about the mother of one of the players who "appeared to have nasal problems that Mahoney suggested may be related to drug use."

"These are reckless and irresponsible charges," said Boston College's president, the Reverend William Leahy, of the lawsuit. He said that O'Brien's characterization of Mahoney was not true and added, "I am here to tell you that Boston College is not a racist institution."

The charges of racism have created the

predictable bonfire of opinion in Boston, which was home to the school busing riots three decades ago. The larger issue raised by the lawsuit involves the hundreds of schools that attempt to play big-time college basketball or football — the big-money sports. Are these schools in the athletics business for the purpose of educating students? Or are they in it to win trophies and make money?

The university presidents would tell you that the question is not as simple as that. Indeed, the income from a relatively few nationally televised football and basketball games pays the way for thousands of student athletes to compete and earn academic degrees. A successful football team encourages more donations from alumni, which can lead to new student dormitories and academic buildings.

"Boston College can have excellence in academics and athletics, and I'm committed to that," the college president said this week. He named Duke, Stanford, Notre Dame and Michigan as models.

Either the president was fooling himself, or he was trying to fool his constituency. BC is not held in such high regard as Notre Dame or Stanford — the rare schools which are able to recruit great players who are also good students. Such student athletes can have their pick of virtually any university in the land, all tuition paid. If a college like BC wants to compete for the national championship, it is going to have to recruit athletes who are risks academically. Which is just, O'Brien says, what it failed to do.

It comes down to this charade. The schools and the coaches make millions of dollars by recruiting teenage athletes who aren't entitled to a penny of this

income. Now that college sports has become a billion-dollar industry, cracks are starting to appear in the NCAA's foundation.

It is one thing for a coach to argue privately or even publicly that his school should "look the other way" and admit athletes for the sake of their athleticism. That kind of debate has been going on for years. It is another thing entirely, however, for a coach to file a lawsuit claiming that the school was *incorrect* in denying a scholarship, or even admission, to a student of questionable academic ability. Where one lawsuit goes, more are sure to follow, and you wonder just how much longer the National Collegiate Athletic Association can keep filling its own pockets, denying money to the athletes and at the same time pretending they are students.

Ian Thomsen is a senior writer for Sports Illustrated magazine.

GREEN EGGS AND HAMLET By David J. Kahn and Hillary

ACROSS	DOWN
1 Be unwarrantably bold	1 Smarten up
8 Occultism	2 Ham's need
14 Modus operandi	3 Dangerous bacteria
20 One seen at trackside	4 Let's fly
22 Moonstruck	5 Actor Tognazzi
23 Lizard with a serrated crest	6 Zinger
24 Start of an imaginary soliloquy	7 Elusive one
25 Kind of tin	8 Word with wheel or engine
26 Inoffensive	9 At all
28 Accepted	10 Dog-scooping word
29 Kind of ticket	11 "What's in it?"
30 Enzyme suffix	12 Put aboard
31 Part 2 of the soliloquy	13 Land around the Brahmaputra Valley
41 Walker's aid	14 Station in space
42 Urin novel "—18"	15 Something to stroke
43 Buddhist who has attained Nirvana	16 King of song
44 Sitter's charge	17 "Very funny!"
47 Hamlet	18 Quick round of tennis
48 Tierra Fuego bridge	19 Stunt man, e.g.
49 Spirited meeting?	
52 Part 3 of the soliloquy	
61 Rat's call	
62 Part of many Arab names	
63 Favorite	
64 International money	
65 Part 4 of the soliloquy	
72 Prefix with nucleotide	
73 French cleric	
74 Controversial teachings	
75 Promising words	
76 Part of a G.I.'s address	
79 50's baseball nickname	
81 Samantha's daughter on TV	
85 1976 album "Ole"	
86 Declinations	
87 1939 Humphrey Bogart role	
88 Rattling trains	
89 Catch, as flies	
90 Type	
92 Part 5 of the soliloquy	
103 To me, to Mimi	
104 Psychoanalyst Fromm	
105 Introduction to marketing?	
106 Picnic spoiler	
107 Part 6 of the soliloquy	
114 Popular Van Gogh painting	
115 She's a deer	
116 Kind of tin	
117 Britto rival	
118 Entanglement	
120 Holds	
122 Pickle place	
123 Part 7 of the soliloquy	
133 Track place	
134 Airport feature	
135 Name's org.	
136 Geneva V.L.P., once	
137 End of the soliloquy	
147 Put on ice	
148 Arbitrates	
149 Bawl out	
150 One of the Munsters	
151 It has its ups and downs	
152 African menaces	
21 — La Plata	
22 Obfuscate	
23 "The Birth of a Nation" grp.	
24 Journalist Nellie	
25 One — (ball game)	
33 "I'm a Stranger Here Myself" poet	
34 Put on the throne	
35 Insect nests	
36 Narrow valley	
37 March on foot	
38 "The Love"	
39 Killer whale	
40 Classical music features	
44 Noted Yugoslav patriot	
45 Mixed dish	
46 Fill-in	
49 1979 exile	
50 Naturalness	
51 Churchill contemporary	
53 Checkup	
54 Second degree?	
55 Go — for	
56 When repeated, an old-fashioned cry	
57 Splinter	
58 "Here's — your eye!"	
59 Southwest land	
60 Dummies	
66 Grated on	
67 Fatuous	
68 Abate	
69 Theological belief	
70 Long Island community	
71 Reef, maybe	
72 Oilman	
73 Kashoggi	
74 Blurb, e.g.	
75 Part of a yoke	
76 Flashlight carriers	
82 Definitive word	
83 Cacao exporter	
84 Veep before Ford	
91 First name in opera	
93 More smooth	
94 Artist with collectible lithos	
95 Equivocator's forte	
96 Some L.B.M. products	
97 Tail	
98 A year in the life of St. Anselm	
99 Barted	
100 Muzzles	
101 Popular snack cracker	
102 Explosives	
103 Parched	
109 Oberhausen one	
110 — lay me down	
111 Target of a hang-up job?	
112 Actress Taylor	
113 Sinn	
116 Bandage	
117 Legit	
121 Gulf war weapons	
122 Father-and-daughter actors	
123 Swagger	
124 Depot abbr.	
125 Narc activities	
126 Person with a mite	
127 1982 Michener epic	
128 "Bali —"	
129 Word on a ticket	
130 Teams up with	
131 Type size	
132 Reminders	
138 "Nightmare" street	
139 Kitty in "The Killers," 1946	
140 Hamilton is on it	
141 Flower on a French shield	
142 Author LeShao	
143 Just-hired	
144 Rod	
145 Common	
146 It has a bite and hops	

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Solution to Puzzle of May 9-10

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'Superman' Hasek Leads Sabres' Sweep

SPORTS

No Homers for Braves, Just a Wealth of Runs

The Associated Press

The Atlanta Braves rallied for seven runs in the eighth inning for a 7-3 victory over the Cardinals in St. Louis, but failed in their attempt to break the record for consecutive games with home runs.

The Braves' streak wound up at 25, matching the 1941 New York Yankees and the 1994 Detroit Tigers.

Mark McGwire hit his 15th homer for the Cardinals, one short of the major league lead.

With St. Louis ahead 3-0 on Thursday night, Juan Acevedo (1-1) gave up RBI

day after reaching season highs in hits (15) and runs in a 9-5 victory over the

Giants. Darwin won his third straight

start, allowing three hits in eight innings,

and Neri pitched a perfect ninth for his

seventh save. Trey Moore (2-5) allowed

both runs and six hits in seven innings

in the opener, and Shawn Estes (3-3)

allowed one run and five hits in six

innings. Julian Tavarez finished with

one-hit relief for his first career save.

Padres 3, Mets 1: Padres 3, Mets 1 In

San Diego, the Padres' Tony Gwynn hit

a game-tying bloop single in the seventh

inning of the opener, then broke a 2-2 tie

in the second game with a three-run

homer in the seventh off Dennis Cook,

who relieved Greg McMichael (1-1).

Dan Miceli (3-1) pitched the final

three innings to win the second game.

In the opener, Eddie Williams' pinch

hit single in the eighth gave San Diego

the lead. Brian Boehringer (4-1) was the

winner, and Trevor Hoffman got three

outs for his 11th save. Dennis Cook (2-

2) was the loser.

Reds 11, Marlins 8: Eddie Taubensee

drove in three runs with a single, double

and sacrifice fly, sending visiting Flori-

da to its fifth consecutive loss.

The Marlins juggled their lineup and did not

start Gary Sheffield, Bobby Bonilla and

Charles Johnson. Scott Winchester (2-

1), a career minor league reliever mak-

ing only his seventh professional start,

won despite allowing six runs and eight

hits in five innings. Jeff Shaw pitched

the ninth for his 13th save.

Andy Larkin (2-3) was tagged for

NL ROUNDUP

singles to Keith Lockhart and Andres

Galaraga, and John Frascatore allowed

Javy Lopez's two-run single. Andrew

Jones' RBI single and Walt Weiss's

two-run double.

Cubs 9, Rockies 7: Vinny Castilla went

5-for-6 with his major league-leading

16th homer, but Henry Rodriguez hit his

fourth career grand slam and Mark

Grace had his third career two-homer

game as the visiting Cubs won their

fourth straight.

Kevin Tapani (5-2) won for the 12th

time in 14 decisions despite giving up

13 hits in 5 1/3 innings, and Rod Beck

pitched the ninth for his 12th save. John

Thomson (2-4) lasted just 2 1/3 innings,

allowing seven runs and nine hits.

Giants 6, Expos 1: Giants 6, Expos 1 In

San Francisco, Danny Darwin (4-2) and

Robb Nen combined on a four-hitter in

the nightcap as San Francisco swept a

doubleheader. The Expos were held to

one run and 10 hits over both games, a

doubleheader.

Angels 5, Mariners 3: Greg Norton,

facing Randy Johnson (3-2) for the first

time, homered twice and drove in three

runs. It was Johnson's first loss ever at

Comiskey Park and just his third overall

against Chicago in 17 starts.

Tom Fordham (1-0) got his first ma-

nor-league victory, pitching a third of an

inning after relieving Jason Bere in the

sixth.

Rangers 7, Yankees 5: In New York,

Rusty Greer drove in six runs, hitting a

game-tying single in the ninth and a

two-run homer in the 13th as Texas

overcame a five-run deficit.

New York, which had been 11-1 at

home this season, led 5-0 in the eighth

inning before the bullpen faltered, al-

lowing a three-run homer to Greer, who

matched his career high for RBIs.

Hideo Nomo, making his first home

start this season, allowed three hits in

seven scoreless innings, lowering his

earned run average to 1.11 as the Yankees

lost for the fourth time in 29 games.

Red Sox 5, Mariners 3: Greg Norton,

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Jason Bates of the Rockies turning a double play over Jose Hernandez of the Cubs in Denver, where the Cubs won their fourth straight, 9-7.

eight runs and nine hits in four innings.

Pirates 7, Astros 2: In Houston, Jose

Silva (4-3) gave up one run and five hits

in seven innings, stopping the Astros'

five-game winning streak.

Lou Collier had three hits for the Pir-

ates. Jermaine Allenworth scored three

runs and had two hits, including his third

homer. Pete Schourek (1-1) allowed four

runs and eight hits in four innings.

Phillies 4, Dodgers 0: In Los Angeles,

the injury-plagued Mark Portugal (2-0),

making his fifth start since 1996, took a

perfect game into the sixth and wound up

allowing just two hits in eight innings.

Gregg Jefferies homered, and Ruben

Amaro had a pinch-hit two-run double.

Philadelphia has won seven of eight.

Diamondbacks 4, Brewers 1: Matt

Williams broke an 0-for-26 slump with a

tiebreaking two-run double off Cal

Eldred (0-3) in the sixth. Andy Fox

homered as host Arizona stopped an

eight-game losing streak.

SCOREBOARD

BASEBALL

MAJOR LEAGUE STANDINGS

AMERICAN LEAGUE

EAST DIVISION

New York 26 26 26 26

Boston 25 25 25 25

Baltimore 24 24 24 24

Toronto 23 23 23 23

Tampa Bay 22 22 22 22

Cleveland 21 21 21 21

Minnesota 20 20 20 20

Chicago 19 19 19 19

Kansas City 18 18 18 18

Detroit 17 17 17 17

Texas 16 16 16 16

Seattle 15 15 15 15

San Diego 14 14 14 14

Los Angeles 13 13 13 13

Oakland 12 12 12 12

San Francisco 11 11 11 11

Arizona 10 10 10 10

Colorado 9 9 9 9

Florida 8 8 8 8

Atlanta 7 7 7 7

Philadelphia 6 6 6 6

Pittsburgh 5 5 5 5

St. Louis 4 4 4 4

Washington 3 3 3 3

Cincinnati 2 2 2 2

St. Paul 1 1 1 1

San Francisco 0 0 0 0

Arizona 0 0 0 0

Colorado 0 0 0 0

Florida 0 0 0 0

Atlanta 0 0 0 0

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DAVE BARRY

Lost and Found, U.S.A.

MIAMI—I think I might know where the missile launcher is. I'm referring here to the \$1 million missile launcher that our armed forces have apparently misplaced, according to the recent audit of the U.S. government (motto: "We Have a Motto, but We Don't Know Where It Is").

You might have missed the news stories about this audit, which didn't get a whole lot of media attention because—as difficult as this is to believe—it had nothing to do with Paula Jones.

The background is, back in 1994 Congress decided that there should be a complete audit of the entire federal government. This seemed like a good idea, since the U.S. government—which is the fourth-largest financial entity in the world behind Bill Gates, the Spice Girls and your electrician—had not been audited for (this is the truth) more than 200 years. The reason Congress did not get around to ordering an audit any sooner is that it has been extremely busy with its primary functions, which are (1) spending money; (2) declaring National Cottage Cheese Appreciation Week and (3) authorizing the IRS to hammer taxpayers for inadequate record-keeping.

The auditors spent thousands and thousands of hours at the U.S. Government Records Facility, which is a 1,400-foot-long shoe box containing an estimated 139 billion receipts and what are believed to be George Washington's original teeth. When the auditors were finally finished, they released a report that contained a number of alarming findings, including these:

• It turns out that both "Lewis" and "Clark" were actually the same person, and he never got farther west than New Jersey.

• Although according to the Constitution there are supposed to be nine members of the Supreme Court, a detailed search of the premises, including under all the desks, turned up only five.

• In one three-month period, the Task Force on Reinventing the Government, headed by Vice President Gore, spent, without any formal authorization or supporting documentation, \$141 million on party hats.

Now I have some good news and some bad news. The good news is, I made up the preceding audit findings. The bad news is, the real audit findings are worse. I am NOT referring to the finding that the government has no idea what happened to billions and billions of dollars. That is totally understandable. When you are sucking in and spewing out money as fast as the federal government, you have to expect that here and there a billion dollars is going to fall between the cracks.

I bet if federal employees took just a few minutes out of their work schedules to look around, they'd quickly find a lot of this so-called "lost" money.

The bad news is, the real findings are worse.

FIRST FEDERAL EMPLOYEE: O.K. I'll just check behind the cushions of this federal employee's lounge sofa here and... Hey, here's some! Looks like a total of, let me see, two, three, four... Wow! It's \$17 million!

SECOND FEDERAL EMPLOYEE: So THAT'S what happened to it!

So I'm confident that the money is around somewhere. What has me concerned is the auditors' finding that the federal government has also apparently lost track of some fairly large items, including—and I am not making these missing items up—a \$1-million army missile launcher, two \$4-million navy engines for fighter aircraft, two large navy tugboats costing \$875,000 each and a \$460,000 floating crane.

Now, in any organization you're going to have people stealing pens, paper clips, etc. But security has to be pretty darned lax for somebody to walk off with a "tugboat."

What concerns me is, what if we have a defense emergency and we need these missing items? Are we going to scare Saddam Hussein if our fighter pilots have to sit on the runway in engine-less planes and make fighter-plane noises with their mouths? Also, if the government doesn't know where its crane is, what ELSE doesn't it know?

For example, I was in Washington recently, and I walked past a huge building that said "Department of the Interior"; then a short while later I walked past ANOTHER huge building that said "Department of the Interior." This has to be a mistake. Why would we need TWO departments of the interior? We only have one interior! Unless we've lost THAT, too.

So I think the government should stop whatever else it's doing until it finds all this missing property. I think a good place to start looking would be my garage. So I say to the government: Come and get it! And while you're here, please take these Supreme Court justices, because they're starting to smell.

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Booze and Brawls, Sure, but Always the Voice

By Mike Zwerin
International Herald Tribune

PARIS—On stage in a club in Atlantic City, New Jersey, Frank Sinatra was between songs, holding a glass of strong-colored liquid; a cigarette in the same hand was curling smoke. The room was full of smoking people wearing silk and expensive perfume.

"A friend in need," Sinatra said, holding his breath, just long enough for suspense, "is a drag."

At the same time, he had a reputation for being generous with his friends. This dichotomy reflected his general schizophrenia. Was he a movie star or a singer? A pop or a jazz singer? A hipster or a gangster? A sweet and generous guy or a mobster?

As a movie star, he seemed to leave a certain sense of realism to be desired. For example, as he lay dead or dying (or perhaps getting ready to rise up and belt out a bridge) on the railroad tracks at the end of "Von Ryan's Express," it is hard to ignore the fantasy that his hairdresser got there just before the SS.

Maybe we should blame the director for that, but there was something to be desired any way you looked at it. In any case, the gift he will be remembered for long after the sensational unauthorized biographies are out of print is that it was all about listening, not looking. He was without doubt the most talented male singer of our lifetime.

Not many artists (probably not even one) have reached so many people on so many levels for so many years with such quality.

Lester Young was the ultimate swing era saxophone player. He was a master spinner of melody who was called "the Mozart of swing."

Pres was not someone who had patience with commercialism. He went all the way every time and he judged everybody else on the same value system. He was also not, it should be added, the kind of musician who would ever have had the ambition, commercial appeal or the

business smarts to lead a big band. Still, it meant something to a lot of people when Pres said that, if he ever led a big band, he would hire Billie Holiday and Frank Sinatra as his female and male singers.

Now this was a compliment that came from a highly respected place. It gives you some idea of the range of Sinatra's appeal. As far as his technique is concerned, opera singers have admired his famous breath control, which he learned from spying on Tommy Dorsey on stage from his seat behind the leader as the trombonist played melodies.

Dorsey sipped in breath from the side of his mouthpiece without opening his mouth, and he could extend phrases for many measures, as though he were circular breathing. Sinatra learned how to do that.

In the 1956 Encyclopedia of Jazz, Sinatra was voted top male singer by 56 out of 120 musicians, black and white, of all styles and ages—among them Duke Ellington, Andre Previn, Benny Goodman, Nat King Cole, Miles Davis, Gerry Mulligan and Horace Silver.

There were very few white musicians who could include "jazz" in their curricula vitae and not be questioned about the truth of it by black Americans. Sinatra was one. Stan Getz was another. Coincidentally or not, both of these gentlemen had difficult personalities. They seemed to take pleasure in being mean. And then leaving you to figure out whether they were acting or not.

Gillespie was once asked by a journalist whether it was possible for a person with an ugly personality to make beautiful music. Gillespie went right in the journalist's face and said slowly, deliberately and loudly: "Stan... Getz."

Sinatra and The Beatles had one essential thing in common. They were both swamped by hordes of screaming adolescent girls. Different generations, but still. They were considered sexy.

But it is also possible, just a remote possibility mind you, that



Frank Sinatra in 1957. He died of a heart attack Thursday at 82.

these screaming girls understood true talent before the rest of us? Is it possible that this talent reached the innocence of youth first in its own weird way, and then we "mature" folk picked it up from there?

One way or another, they both went on to reach pretty much everybody. But even that further path was not dissimilar. Both of them had... let's just say outlaw qualities, as well as the ability to serve up sensitive and inventive music.

The Beatles were on drugs. Their groupie action was heavy—Sinatra's too. He also drank a lot and

smoked cigarettes. None of them were exactly interested in developing their piers and working out and jogging. And just like Paul McCartney admitted that marijuana had something to do with the creativity of "Sgt. Pepper's Lonely Hearts Club Band," Julio Iglesias once claimed that Sinatra told him that smoking tobacco had a lot to do with the rich and funky quality of Sinatra's voice. In other words, can it be that tobacco is good for you?

Well, we won't take that seriously. Still, this story of exquisite interpretation of love songs is laced with booze, brawls and miscel-

laneous vulgarity. At the least, Sinatra's lifestyle can be described as rude.

This is not a new question. Benny Goodman was often tyrannical. When asked how he liked touring Russia with Benny Goodman, Zoot Sims replied, "When you play with Benny Goodman, every gig is in Russia."

But this "tyrant" played fine clarinet and had a wonderful orchestra. Michael Brecker, the saxophonist who has played with demanding pop acts like Steely Dan and Paul Simon, says he was never as nervous in a studio as he was backing Sinatra. With Frank, you got it on the first take or it could get rough. You could be asked to leave. He was only applying his own rules to others. He made it on the first take, why not the hired hands?

By the time he hit his 60s, some critics were saying he was losing his voice. Actually it was kind of aging, like fine wine. Whatever he lost in breath control, he gained in emotional depth.

And as Gene Lees said about him in his book "Singers and the Song": "For a very long time, Frank Sinatra turned the singing of the American song into an art form."

A four-disc box, "Frank Sinatra: The Reprise Collection," was released in 1990. The novelist William Kennedy, who wrote the album notes, had heard him in concert earlier that year. Sinatra was in his 70s, remember. "How can anybody be so good for that long?" Kennedy asked.

"You listen and you know that this is not Frank in his best voice ever but it does not matter. It's his sound, his cadence, his tune, him, and it's as good as it can be and that's still very, very good."

"You do not have to have Frank on video, or in a movie or on a TV show, or even invent conversation in person with this fellow who is a stranger. You really don't need these presences. All you need is the music the man has made and that has been with you all your life."

PEOPLE

The singer George Michael pleaded no contest to a lewd conduct charge in Los Angeles and was ordered to serve 81 hours of community service and undergo sexual counseling. The plea-bargain agreement also barred the singer from the Beverly Hills park where he was arrested on April 7 in a men's restroom. In addition to the required community service, he will have the choice of 80 further hours of service or a \$910 fine.

A second member of the Spice Girls was reported to have become engaged. The Sun said Friday that "Scary Spice," Mel Brown, had joined fellow band member "Posh Spice," Victoria Adams, in announcing her engagement. The paper said Mel B was engaged to the band dancer Jimmy Gulzar.

Joe Klein has left Random House, the publisher of "Primary Colors," and signed a multibook deal with Dial Press. First up: a political novel, untitled and unfinished. Negotiations with Random House broke down, a source told The Washington Post, when Klein wanted an advance for the second book that reflected the huge success of the first. Random House noted that Klein didn't officially write the first book. Anonymous did.

The film director Spike Lee, Vice President Al Gore and Jean Kennedy Smith, the U.S. ambassador to Ireland, have been awarded honorary degrees by New York University.



Spike Lee receiving his honorary doctorate.

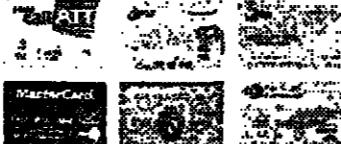


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